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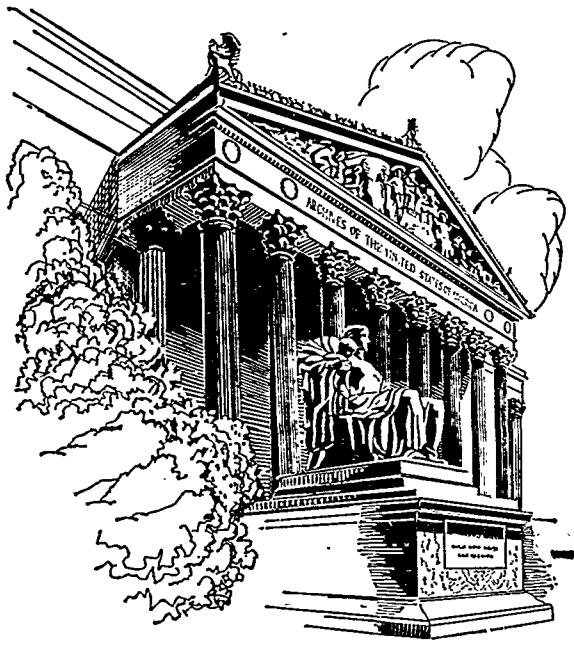
Pages 131–214

PART I

(Part II begins on page 187)

Agencies in this issue—

Detailed list of Contents appears inside.



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Contents

(Continued on next page)

List of CFR Parts Affected

(Codification Guide)

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1968, and specifies how they are affected.

5 CFR

213 135
338 135

7 CFR

81 135
319 136
1464 136

PROPOSED RULES:

991 149
1002 188

10 CFR

70 137

12 CFR

510 137

14 CFR

71 (4 documents) 138, 139

PROPOSED RULES:

71 (6 documents) 149–151
91 151

17 CFR

PROPOSED RULES:

240 152

18 CFR

2 139
41 139
141 139
158 139
260 139

19 CFR

PROPOSED RULES:

1 149

24 CFR

0 144

32 CFR

1005 144
1007 144
1016 144
1054 144

36 CFR

7 145
212 145

41 CFR

101–6 146
101–32 146

50 CFR

33 148

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 213—EXCEPTED SERVICE

PART 338—QUALIFICATION REQUIREMENTS (GENERAL)

Summer Employment Program; Employment of Relatives

Sections 213.3101, 213.3102, and 338.202 are amended to provide for and specify the dates of the Commission's 1968 summer employment program and, in addition, § 338.202 is further amended to show the applicability of the new law and regulations concerning the employment of relatives.

1. Effective on publication in the FEDERAL REGISTER §§ 213.3101 (b) and (c) and § 213.3102(y) are amended as set out below.

§ 213.3101 Positions other than those of confidential or policy-determining character for which it is not practicable to examine.

* * * * *

(b) An agency (including a military department) may not appoint the son or daughter of a civilian employee of that agency, or the son or daughter of a member of its uniformed service, to a position listed in Schedule A for part-time, seasonal, intermittent, or other temporary employment within the United States that begins after May 12, 1968, and ends before October 1, 1968; except that this prohibition shall not apply to the appointment of persons who are eligible for placement assistance under the Commission's Displaced Employee (DE) Program.

(c) An agency may appoint for part-time, seasonal, intermittent, or other temporary employment within the United States that begins after May 12, 1968, and ends before October 1, 1968, in positions listed in Schedule A only in accordance with the terms of the Commission's 1968 summer employment program. This restriction does not apply to positions that are excepted only when filled by particular types of individuals.

§ 213.3102 Entire Executive Civil Service.

* * * * *

(y) Positions as grade GS–2 and below of assistants to scientific, professional, and technical employees, when filled by 1968 finalists in national science contests under hiring programs approved by the Commission. Appointments under this provision may not extend beyond September 30, 1968.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR, 1954–58 Comp., p. 218)

2. Effective on publication in the FEDERAL REGISTER, § 338.202 is amended as set out below.

§ 338.202 Restriction on sons and daughters.

(a) An agency (including a military department) may appoint the son or daughter of a civilian employee of that agency, or the son or daughter of a member of its uniformed service, under a temporary limited appointment made for part-time, seasonal, intermittent, or other temporary employment within the United States that begins after May 12, 1968, and ends before October 1, 1968, only when (1) the position is filled from a list of eligibles established under a Commission examination, (2) there is no other available eligible with the same or higher rating, and (3) the appointment is not prohibited by section 3110 of title 5, United States Code, or part 310 of this chapter relating to the employment of relatives.

(b) Paragraph (a) of this section shall not apply to the appointment of persons who are eligible for placement assistance under the Commission's Displaced Employee (DE) Program.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR, 1954–58 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 68–164; Filed, Jan. 4, 1968; 8:48 a.m.]

Title 7—AGRICULTURE

Chapter I—Consumer and Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

SUBCHAPTER D—REGULATIONS UNDER THE POULTRY PRODUCTS INSPECTION ACT

PART 81—INSPECTION OF POULTRY AND POULTRY PRODUCTS

Net Weight Statements on Labels of Stuffed Poultry Products

On August 3, 1967, a notice of proposed rule making was published in the FEDERAL REGISTER (32 F.R. 11279) with respect to a proposed amendment of § 81.130 of the Regulations Governing the Inspection of Poultry and Poultry Products (7 CFR 81.130) under the Poultry Products Inspection Act, as amended (21 U.S.C. 451 et seq.) relating to net weight labeling of stuffed poultry products. After due consideration of all relevant matters relating to the proposal and under authority contained in the Poultry Products Inspection Act, as amended (21 U.S.C. 451 et seq.), the Consumer and Marketing Service of the United States Department of Agriculture hereby amends the Regulations Governing the Inspection of Poultry and Poultry Products (7 CFR Part 81), as stated below.

Statement of considerations. The amendment requires that, in addition to the total net weight statement for ready-to-cook, whole carcass stuffed poultry, ready-to-cook stuffed poultry roasts, rolls, bars, and logs, and ready-to-cook, stuffed poultry products designated by terms of similar import, a statement must be shown on the label for such product indicating the minimum weight of poultry in the product.

Only five comments were filed with the Office of the Hearing Clerk in accordance with the rulemaking proposal. Only one comment was in opposition to the amendment on the basis that consumers should have a free rein in determining the acceptability of stuffed poultry products without concern for the percentage of the ingredients, i.e., poultry and stuffing. Due consideration has been given to all comments received and to all other information available to the Consumer and Marketing Service.

The amendment as adopted is clarified to limit its application to ready-to-cook, whole carcass stuffed poultry, stuffed poultry roasts, rolls, bars, and logs, and similar products. The use of the proposed alternative method of setting forth the maximum amount of stuffing in lieu of the minimum weight of the poultry is not included in this amendment. It has been determined that the use of an alternative method of marking the weight of the stuffing may tend to be confusing and is unnecessary. The method of marking the total net weight of the poultry product and the minimum weight of the poultry is in accordance with present industry practices when dual weight marking is used.

It is not the intent of the Department to limit the range of products available to consumers. However, it has been determined that the amendment will assure that consumers receive information that will be useful to them and that the amendment is necessary to prevent the use of misleading labels for the stuffed poultry products. At the same time, the amendment will not impose complex and costly procedures on the industry and inspectors administering the inspection program as compared to other approaches to an adequate labeling program for stuffed poultry products. It will not deprive manufacturers of the flexibility they need in making available to the consumer a wide variety of convenient poultry food products and will not materially raise the cost for such items.

It does not appear that further public rulemaking procedure on the amendment

would make additional information available to the Department of Agriculture. Therefore, under the provisions in 5 U.S.C. 553, it is found upon good cause that such additional procedure is impracticable and unnecessary.

Therefore, § 81.130 of the regulations is amended by adding the following at the end of paragraph (a) (3):

§ 81.130 Wording on labels.

(a) * * *

(3) * * * Notwithstanding the other provisions of this subparagraph, for ready-to-cook, whole carcass stuffed poultry, ready-to-cook stuffed poultry roasts, rolls, bars, and logs, and ready-to-cook, stuffed poultry products designated by terms of similar import, the label must show the total net weight of the poultry product and in proximity thereto, a statement specifying the minimum weight of poultry in the product.

* * * * *

(Sec. 14, 71 Stat. 447, 21 U.S.C. 463; 29 F.R. 16210, as amended; 32 F.R. 11741)

Done at Washington, D.C., this 29th day of December 1967, to become effective March 1, 1968, except that supplies of packaging and labeling materials existing on the date of publication hereof may be used until July 1, 1968.

R. K. SOMERS,
Deputy Administrator,
Consumer Protection.

[F.R. Doc. 68-184; Filed, Jan. 4, 1968; 8:49 a.m.]

Chapter III—Agricultural Research Service, Department of Agriculture

PART 319—FOREIGN QUARANTINE NOTICES

Subpart—Nursery Stock, Plants, and Seeds

FOREIGN NURSERIES CERTIFIED AS PRODUCING SPECIFIED DISEASE-FREE MATERIAL

Pursuant to § 319.37-28 of the regulations supplemental to Nursery Stock, Plants, and Seeds Quarantine (Notice of Quarantine No. 37, 7 CFR 319.37-28), issued under the authority of sections 7 and 9 of the Plant Quarantine Act of 1912 (7 U.S.C. 160, 162), the Director of the Plant Quarantine Division hereby adopts the following administrative instructions designating nurseries in foreign countries that have been certified as producing disease-free material of the genera Malus, Prunus, and Pyrus to appear as 7 CFR 319.37-28a:

§ 319.37-28a Administrative instructions designating foreign nurseries eligible to ship disease-free Malus, Prunus, and Pyrus material to the United States.

The following nurseries have been designated by the Director of the Plant Quarantine Division as eligible to ship disease-free Malus, Prunus, and Pyrus material to the United States.

BRITISH NURSERIES

Blackmoor Estate, Ltd.; Blackmoor, Liss, Hampshire, England.

Brinkman Bros., Ltd., Walton Nurseries; Bosham, Chichester, Sussex, England.

Coates Co., Ltd., The Firs; Emneth, Wisbech, Cambs., England.

Darby Bros., Broad Fen Farm; Methwold Hythe, Thetford, England.

East Malling Research Station; Maidstone, Kent, England.

Hammond, D. H.; Ware Street, Bearsted, Maidstone, Kent, England.

Hilling, T. & Co., Ltd., The Nurseries; Chobham, Woking, Surrey, England.

Lauritzen H., Epping Green Orchard; Epping, Essex, England.

Matthews, F. P., Ltd.; Berrington Court, Tenbury Well, Worcestershire, England.

Matthews Fruit Trees Ltd.; Thurston, Bury St. Edmunds, Suffolk, England.

Roger, R. V., Ltd., The Nurseries; Pickering, Yorkshire, England.

CANADIAN NURSERIES

Blue Mountain Nurseries & Orchards Ltd.; Clarksburg, Ontario, Canada.

Byland's Nursery; Rural Route No. 1, Westbank, British Columbia, Canada.

Hertel Gagnon; Compton, Quebec, Canada.

Kelowna Nurseries; Post Office Box 178, Kelowna, British Columbia, Canada.

V. Kraus Nurseries, Ltd.; Carlisle, Ontario, Canada.

Mori Nurseries, Ltd.; Rural Route No. 2, Niagara-on-the-Lake, Ontario, Canada.

Okanagan Nurseries; Rural Route No. 4, Kelowna, British Columbia, Canada.

Oliver Nursery; Oliver, British Columbia, Canada.

Ottawa Research Station, Canada Dept. of Agriculture; Ottawa, Ontario, Canada.

Research Branch, Canada Dept. of Agriculture; Saanichton, British Columbia, Canada.

Research Branch, Canada Dept. of Agriculture; Smithfield, Ontario, Canada.

Research Branch, Canada Dept. of Agriculture; Summerland, British Columbia, Canada.

Research Branch, Canada Dept. of Agriculture; Vineland Station, Ontario, Canada.

Scott-Whaley Nurseries, Ltd.; Ruthven, Ontario, Canada.

Stewart Brothers Nurseries, Ltd.; 1546 Bernard Avenue, Kelowna, British Columbia, Canada.

Traas Nursery, Ltd.; 24120 48th Avenue, Rural Route No. 7, Langley, British Columbia, Canada.

(Secs. 7, 9, 37 Stat. 317, 318; 7 U.S.C. 160, 162; 29 F.R. 16210, as amended, 30 F.R. 5799, as amended, 7 CFR 319.37-28)

These administrative instructions shall become effective upon publication in the FEDERAL REGISTER.

An amendment of the regulations relating to the importation of nursery stock, plants, and seeds, effective June 30, 1967, added a new § 319.37-28 to provide for the importation into the United States of plant material of the genera Malus, Prunus, and Pyrus when such material originates in an approved nursery certified by the plant protection service of the country of origin as producing the material from clean mother plants, and when such certification is satisfactory to the Director of the Plant Quarantine Division. Such admissible material may enter under permit subject to growing under postentry quarantine when so required. The above list includes all foreign nurseries that have been certified to date by their respective plant protection services as fulfilling the prescribed conditions.

Determination of the satisfactory compliance of the listed nurseries with the conditions imposed by § 319.37-28 depends entirely upon facts within the knowledge of the Department of Agriculture. It is to the benefit of the public that these instructions be made effective at the earliest practicable date. Accordingly, pursuant to the administrative procedure provisions of 5 U.S.C. 553, it is found upon good cause that notice and other public procedure on these administrative instructions are impracticable and contrary to the public interest and good cause is found for making them effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Hyattsville, Md., this 29th day of December 1967.

[SEAL] F. A. JOHNSTON,
Director,
Plant Quarantine Division.

[F.R. Doc. 68-183; Filed, Jan. 4, 1968; 8:49 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[Amdt. 4]

PART 1464—TOBACCO

Subpart—Tobacco Loan Program

MISCELLANEOUS AMENDMENTS

The regulations issued by Commodity Credit Corporation, published in 31 F.R. 9679, 32 F.R. 10249, 32 F.R. 11416, and 32 F.R. 14203 with respect to the tobacco price support loan program are hereby amended for the purpose of changing the period of time during which price support will be available for 1967 crop flue-cured tobacco delivered directly to the Association. Accordingly, § 1464.1756 is revised by amending subparagraphs (d) (2) and (d) (3) thereof to read as follows:

§ 1464.1756 Availability of price support.

* * * * *

(d) Price support to eligible producers will be made available on eligible tobacco in the following manner:

* * * * *

(2) *Upon direct delivery to the Association.* Eligible producers in nonauction market areas and flue-cured tobacco producers, to the extent provided in this subsection, may deliver eligible tobacco to central receiving points designated by the appropriate association. After the tobacco has been graded by USDA inspectors, the producer will receive the price support advance directly from the association for any tobacco to be pledged as security for loans. Flue-cured producers who, after January 11, 1968, have 1967 crop flue-cured tobacco on which a farm storage loan is outstanding, may

deliver such tobacco to the designated central receiving points for price support.

(3) *Period of price support.* Price support will be available to eligible producers on eligible tobacco only during each year's normal marketing season for each kind of tobacco for which support is provided. Price support for flue-cured tobacco delivered directly to the association will be available only after January 11, 1968, and not later than January 15, 1968.

(Sec. 4, 62 Stat. 1070, as amended, sec. 5, 62 Stat. 1072, secs. 101, 106, 401, 403, 63 Stat. 1051, as amended, 1054, sec. 125, 70 Stat. 198, 74 Stat. 6; 7 U.S.C. 1441, 1445, 1421, 1423, 7 U.S.C. 1813, 15 U.S.C 714b, 714c)

Effective date: Date of filing with Office of Federal Register.

Signed at Washington, D.C., on December 29, 1967.

E. A. JAENKE,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 68-161; Filed, Jan. 4, 1968; 8:48 a.m.]

Title 10—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

PART 70—SPECIAL NUCLEAR MATERIAL

Communications Concerning Safeguarding of Special Nuclear Material

On May 3, 1967, the Atomic Energy Commission announced certain organizational changes in its operating and regulatory staffs concerning international and domestic special nuclear material safeguards. Included in the changes was the establishment of a new Division of Nuclear Materials Safeguards under the Director of Regulation, with responsibility for administering safeguards for special nuclear material held by Commission licensees.

With the establishment of the Division of Nuclear Materials Safeguards, it is now appropriate that communications with the Commission concerning solely the safeguarding of special nuclear material held under a Commission license should be addressed to the new Division. Accordingly, the Commission has adopted the amendments set forth below to provide that such communications be addressed to the Division of Nuclear Materials Safeguards. Some minor editorial changes have also been made.

Because the amendments relate solely to agency organization, notice of proposed rule making and public procedures thereon are not required by section 4 of the Administrative Procedure Act (5 U.S.C. 553), and the Commission has found that good cause exists to make the amendments effective on publication in the FEDERAL REGISTER.

Pursuant to the Atomic Energy Act of 1954, as amended, and the Administrative Procedure Act of 1946, as amended, the following amendments of 10 CFR Part 70 are published as a document subject to codification, to be effective on publication in the FEDERAL REGISTER.

1. Section 70.5 is revised to read as follows:

§ 70.5 Communications.

(a) Except as specified in paragraph (b) of this section or in § 70.21, all communications and reports concerning the regulations in this part and applications filed under them should be addressed to the Director, Division of Materials Licensing, U.S. Atomic Energy Commission, Washington, D.C. 20545.

(b) All communications, reports, and applications relating solely to safeguards control of special nuclear material should be addressed to the Director, Division of Nuclear Materials Safeguards, U.S. Atomic Energy Commission, Washington, D.C. 20545.

(c) Communications, reports, and applications may be delivered in person at the Commission's offices at 1717 H Street NW., Washington, D.C.; at 4915 St. Elmo Avenue, Bethesda, Md.; or at Germantown, Md.

2. Footnote 1 to § 70.22(b)(vi) is amended to read as follows:

[1] For guidance in preparing the required descriptions, an applicant may consult "Guide for Preparation of Fundamental Material Controls and Nuclear Materials Safeguards Procedures", which is available for inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. Copies of this guide may be obtained by addressing a request to the Director, Division of Nuclear Materials Safeguards, U.S. Atomic Energy Commission, Washington, D.C. 20545.

3. Footnote 4 to § 70.51 is amended to read as follows:

[4] For guidance in preparing the required descriptions, a licensee may consult "Guide for Preparation of Fundamental Material Controls and Nuclear Materials Safeguards Procedures", which is available for inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. Copies of this guide may be obtained by addressing a request to the Director, Division of Nuclear Materials Safeguards, U.S. Atomic Energy Commission, Washington, D.C. 20545.

(Sec. 161, 68 Stat. 948; 42 U.S.C. 2201)

Dated this 29th day of December 1967.

For the Atomic Energy Commission.

F. T. HOBBS,
Acting Secretary.

[F.R. Doc. 68-127; Filed, Jan. 4, 1968; 8:45 a.m.]

Title 12—BANKS AND BANKING

Chapter V—Federal Home Loan Bank Board

SUBCHAPTER A—GENERAL

[21,298]

PART 510—MISCELLANEOUS RULES

Amendment Relating to Restrictions as to Former Employees

DECEMBER 28, 1967.

Resolved that the Federal Home Loan Bank Board, upon the basis of consideration by it of the advisability of amending Part 510 of the general regulations of the Federal Home Loan Bank Board (12 CFR Part 510) for the purpose of including certain restrictions on former employees of the Board, the Federal Savings and Loan Insurance Corporation, and the Federal Home Loan Banks, with regard to practice before the Board, and on employees and former employees of the Board and the Corporation, with regard to subsequent employment by insured institutions in certain cases, hereby amends said Part 510 as follows, effective February 6, 1968:

1. Revise the heading of Part 510 to read as set forth above.

2. Add a new section, § 510.2, immediately after § 510.1, to read as follows:

§ 510.2 Restrictions as to former employees.

(a) As used in this section:

(1) The term "employee" includes a Member of the Board, a special Government employee, an officer, an agent, or an attorney.

(2) The term "Corporation" means the Federal Savings and Loan Insurance Corporation.

(3) The term "Bank" means a Federal Home Loan Bank.

(b) No former employee of the Board, the Corporation or a Bank shall appear in any proceeding or other matter before the Board as attorney or other representative of any party (other than the Board, the Corporation or a Bank) to any proceeding or other matter, formal or informal:

(1) In which the former employee participated personally and substantially during the period of such employment; or

(2) For which the former employee was officially responsible during the period of such employment, unless 1 year has elapsed since the termination of such employment.

(c) The restrictions contained in this paragraph shall apply to employees and former employees of the Board or the Corporation who are or were so employed on or after the effective date of this section and who, during such employment, engaged in activities involving discretion with respect to either (1) the granting of a loan or other financial assistance by the Corporation to an insured institution or (2) the granting of an application of any kind filed by an insured institution

or an institution seeking insurance. No such employee or former employee may accept any salaried position or any full-time position with such an institution within a period of 1 year following the earlier of (1) the date of the granting to the institution of the loan, financial assistance, or application or (2) the date of the termination of his employment with the Board or the Corporation. The discretionary nature of the activities of employees shall be determined by the Board as may be required. Any employee or former employee of the Board or the Corporation who, during the period of restriction set forth in this paragraph, wishes to accept any such position shall, prior to such acceptance, apply to the Board for such a determination.

(Sec. 17, 47 Stat. 736, as amended; sec. 5, 48 Stat. 132, as amended; secs. 402, 403, 48 Stat. 1256, 1257, as amended; 12 U.S.C. 1437, 1464, 1725, 1726. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1943–48 Comp., p. 1071)

By the Federal Home Loan Bank Board.

[SEAL] JOSEPH F. SCHRAM,
Assistant Secretary.

[F.R. Doc. 68–191; Filed, Jan. 4, 1968; 8:49 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airspace Docket No. 67–SO–73]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Federal Airway Segment

On October 17, 1967, a notice of proposed rule making was published in the FEDERAL REGISTER (32 F.R. 14333) stating that the Federal Aviation Administration would alter the floor on the segment of VOR Federal airway No. 56 from Fayetteville, N.C., to 41 miles east of Fayetteville.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001 e.s.t., February 29, 1968, as hereinafter set forth.

In § 71.123 (32 F.R. 2009, 6434, 14549) V–56 is amended by deleting "12 AGL Fayetteville, N.C., 41 miles, 25 MSL," and substituting "12 AGL Fayetteville, N.C., 41 miles, 15 MSL," therefor.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Washington, D.C., on December 26, 1967.

T. MCCORMACK,
Acting Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68–152; Filed, Jan. 4, 1968; 8:47 a.m.]

[Airspace Docket No. 67–SO–44]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Transition Areas and Control Zone

On October 6, 1967, a notice of proposed rule making was published in the FEDERAL REGISTER (32 F.R. 13935), stating that the Federal Aviation Administration was considering amendments to Part 71 of the Federal Aviation regulations that would alter the Mobile, Ala., Fort Rucker, Ala., and Pensacola, Fla., transition areas.

Interested persons were afforded an opportunity to participate in the rule making through the submission of comments. All comments received were favorable.

Subsequent to the publication of the notice, proposed V–115E airway was renumbered as V–329. This action does not provide controlled airspace required for transitioning IFR aircraft by radar vectors between V–115 and V–329 airways; therefore, it is necessary to adjust the Fort Rucker 1,200-foot transition area boundary along the east boundary of V–115, as realigned. The adjustment of this transition area along the east boundary of V–115 provides controlled airspace previously planned for incorporation in the airway structure. Additionally, the coordinate for Brookley AFB was refined to lat. 30°37'08.5" N., long. 88°03'57.2" W. by the Coast and Geodetic Survey; therefore, it is necessary that the Mobile, Ala. (Brookley AFB) control zone and the Mobile, Ala., transition area be altered to include the refined coordinate. Since these alterations are either minor or editorial in nature, they are incorporated in this rule.

In consideration of the foregoing, Part 71 of the Federal Aviation regulations is amended, effective 0001 e.s.t., February 29, 1968, as hereinafter set forth.

In § 71.181 (32 F.R. 2148), the Mobile, Ala., and Fort Rucker, Ala., transition areas and the Pensacola, Fla., 1,200-foot transition area are amended to read:

MOBILE, ALA.

That airspace extending upward from 700 feet above the surface within an 8-mile radius of Bates Field (lat. 30°41'17.7" N., long. 88°14'26.6" W.); within 8 miles southwest and 5 miles northeast of the Bates Field localizer northwest course, extending from 5 miles southeast to 12 miles northwest of the LOM; within an 8-mile radius of Brookley AFB (lat. 30°37'08.5" N., long. 88°03'57.2" W.); within 2 miles each side of the Brookley VORTAC 140° radial, extending from the VORTAC to 12 miles southeast; within an 8-mile radius of Fairhope Municipal Airport (lat. 30°27'50" N., long. 87°52'35" W.); and within 2 miles each side of the Brookley VORTAC 134° radial, extending from the Fairhope Municipal Airport 8-mile radius area to the Brookley AFB 8-mile radius area; including that airspace extending upward from 1,200 feet above the surface within the area bounded by a line beginning at lat. 30°14'00" N., long. 88°01'30" W., thence to lat. 30°32'00" N., long. 88°15'00" W; thence to lat. 30°32'00" N., long. 88°37'00" W; thence north along long. 88°37'00" W. to the south edge of V–222; thence east along the south edge of V–222 to the west edge of V–209; thence along the west edge of V–209 to lat. 31°15'00" N.; thence to lat. 31°15'00" N., long. 87°55'00" W.; thence to the intersection of the east boundary of V–20 south and lat. 31°00'00" N.; thence to lat. 30°50'00" N., long. 87°48'00" W.; thence to lat. 30°15'00" N., long. 87°41'00" W.; thence west along the Alabama-Florida shoreline to long. 88°01'30" W.; thence to point of beginning.

FORT RUCKER, ALA.

That airspace extending upward from 700 feet above the surface within the area bounded by a line beginning at lat. 31°38'00" N., long. 86°23'30" W.; thence northeast via V–70 to V–7; thence south via V–7 to V–241; thence southwest via V–241 to and clockwise along the arc of a 5-mile radius circle centered at lat. 31°03'00" N., long. 86°19'33" W.; to lat. 31°03'00" N., long. 86°24'30" W.; to the point of beginning; and that airspace extending upward from 1,200 feet above the surface within the area bounded by a line beginning at the INT of the east boundary of V–115 and the south boundary of V–70; thence northeast via V–70 to and counterclockwise along the arc of an 11-mile radius circle centered on the Eufaula, Ala., VOR; to and southwest along a line 6 miles east of and parallel to the centerline of V–241; to and clockwise along the arc of a 35-mile radius circle centered at lat. 31°14'55" N., long. 85°46'20" W.; to and along the west boundary of V–7W; to and along the north boundary of V–22; to and along the east boundary of V–115 to point of beginning, excluding the portion within R–2103.

PENSACOLA, FLA.

* * * and that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at lat. 30°15'00" N., long. 87°41'00" W.; thence north to lat. 30°50'00" N., long. 87°48'00" W.; thence to the east boundary of V–20S and lat. 31°00'00" N.; thence northeast along the east boundary of V–20S to the intersection of the arc of a 14-mile radius circle centered at the Monroeville, Ala., VOR; thence counterclockwise along this arc to a line 4 nautical miles north of and parallel to the Monroeville VOR 104° radial; thence east along this line to the west boundary of V–115; thence south along the west boundary of V–115 to lat. 30°50'00" N.; to lat. 30°42'45" N., long. 86°45'45" W.; to lat. 30°38'45" N., long. 86°55'00" W.; to lat. 30°35'35" N., long. 86°56'40" W.; thence clockwise along the arc of a 25-mile radius circle centered at NAAS Saufley Field to lat. 30°22'05" N.; thence to lat. 30°21'15" N., long. 87°00'50" W.; to lat. 30°18'00" N., long. 86°59'30" W.; to lat. 30°14'30" N., long. 87°14'30" W.; to the INT of the arc of a 38-mile radius circle centered at NAAS Saufley Field and lat. 29°55'00" N.; thence clockwise along this arc to long. 87°49'00" W.; thence to point of beginning.

In § 71.171 (32 F.R. 2071), the Mobile, Ala. (Brookley AFB), control zone (32 F.R. 2440 and 5677) is amended as follows:

"* * * (lat. 30°37'39" N., long. 88°04'10" W.) * * *" is deleted and "* * * lat. 30°37'08.5" N., long. 88°03'57.2" W.) * * *" is substituted therefor.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348(a))

Issued in East Point, Ga., on December 26, 1967.

JAMES G. ROGERS,
Director, Southern Region.

[F.R. Doc. 68–153; Filed, Jan. 4, 1968; 8:47 a.m.]

[Airspace Docket No. 67-SW-79]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

Revocation of Control Area Extension and Alteration of Transition Area

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter controlled airspace in the Enid, Okla., terminal area.

The existing Enid, Okla., control area extension (CAE) is being revoked, and by separate though simultaneous airspace action, an additional control area (ACA) is being designated (67-SW-49). The effect of these actions will be to raise the floor of controlled airspace from 700 feet AGL to 1,200 feet AGL along the corridor which extends from the Enid, Okla., VOR to the Gage, Okla., VOR and which bisects the 5,000-foot portion of the Enid, Okla., transition area. An appropriate change in the description of the Enid, Okla., transition area is likewise being made corresponding to the changes in controlled airspace.

Since this airspace action is less restrictive in nature, and lessens the burden on the public, notice and public procedures hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation regulations is amended, effective February 29, 1968, as hereinafter set forth.

In § 71.165 (32 F.R. 2069) the Enid, Okla., control area extension, presently designated as that airspace bounded on the north by V-190, on the east by V-77, on the south by V-140, on the southwest by V-17, and on the northwest by V-12, is hereby revoked.

In § 71.181 (32 F.R. 2182), the Enid, Okla., transition area would be altered by deleting the last phrase "excluding that airspace within 5 miles each side of a direct line from the Woodring, Okla., VOR to the Gage, Okla., VOR and the Gage transition area," and substituting therefor "excluding that airspace within 4 nautical miles each side of a line extending from the Gage VOR to the Woodring, Okla., VOR."

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Fort Worth, Tex., on December 18, 1967.

HENRY L. NEWMAN,
Director, Southwest Region.

[F.R. Doc. 68-154; Filed, Jan. 4, 1968; 8:47 a.m.]

[Airspace Docket No. 67-SO-103]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS

Designation of Transition Area

On November 8, 1967, a notice of proposed rule making was published in the FEDERAL REGISTER (32 F.R. 15548), stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would designate the Sanford, N.C., transition area.

Interested persons were afforded an opportunity to participate in the rule making through the submission of comments. All comments received were favorable.

Subsequent to the publication of the notice, the geographic coordinate (lat. 35°25'55" N., long. 79°11'10" W.) for Sanford Municipal Airport was obtained from Coast and Geodetic Survey. Accordingly, action is taken herein to add the geographic coordinate to the description.

In consideration of the foregoing, Part 71 of the Federal Aviation regulations is amended, effective 0001 e.s.t., February 29, 1968, as hereinafter set forth.

In § 71.181 (32 F.R. 2148), the following transition area is added:

SANFORD, N.C.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Sanford Municipal Airport (lat. 35°25'55" N., long. 79°11'10" W.).

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348(a))

Issued in East Point, Ga., on December 22, 1967.

JAMES G. ROGERS,
Director, Southern Region.

[F.R. Doc. 68-155; Filed, Jan. 4, 1968; 8:47 a.m.]

Title 18—CONSERVATION OF POWER AND WATER RESOURCES

Chapter I—Federal Power Commission

[Docket No. R-336; Order 357]

PART 2—GENERAL POLICY AND INTERPRETATIONS

Standardized Conditions in Preliminary Permits and Licenses for Hydroelectric Developments; Updating List of Citations to L-Forms

DECEMBER 29, 1967.

Section 2.9 of the Commission's regulations includes a list describing the "P" and "L" Forms together with citations to the volume and page of the Federal Power Commission reports in which the particular form was first published. Since in some cases citations were not complete at the time this section was promulgated,[1] we are here supplying those which have since become available by reason of the publication of the particular form in the reports. Accordingly, the Commission orders:

(A) Effective upon the issuance of this order, § 2.9, Subchapter A, Chapter I, Title 18 of the Code of Federal Regulations is amended as follows:

1. In item L-3, change "36 FPC _____" to "36 FPC 971" and delete "Central Maine Power Company, Proj. 2519."

2. Add at the end of item L-5 the following: "38 FPC _____ (July 26, 1967) Wisconsin Michigan Power Co., Proj. 2431."

3. In item L-10, change "37 FPC _____" to "37 FPC 860" and delete "Duke Power Company, Proj. No. 2465."

4. In item L-11, change "36 FPC _____" to "36 FPC 687" and delete "Duke Power Company, Project 2503."

5. In item L-12, change "35 FPC _____" to "35 FPC 875" and delete "Central Vermont Public Service Corporation, Proj. 2487."

(B) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68-136; Filed, Jan. 4, 1968; 8:46 a.m.]

[1] Order No. 348, Docket No. R-325, issued June 7, 1967, 37 FPC _____, 32 F.R. 8521.

[Docket No. R-309; Order No. 356]

PART 41—ACCOUNTS, RECORDS, AND MEMORANDA

PART 141—STATEMENTS AND REPORTS (SCHEDULES)

PART 158—ACCOUNTS, RECORDS, AND MEMORANDA

PART 260—STATEMENTS AND REPORTS (SCHEDULES)

Independent Certification of Compliance With Accounting Requirements; Annual Reports of Public Utilities, Licensees and Natural Gas Companies

DECEMBER 29, 1967.

On October 12, 1966, the Commission issued a notice of proposed rulemaking in this proceeding (31 F.R. 13557, Oct. 20, 1966) wherein it proposed to add a new General Instruction to the annual report forms (FPC Nos. 1 and 2) prescribed, respectively, by §§ 141.1 and 260.1 of its regulations under the Federal Power and Natural Gas Acts. The instruction would provide that every Class A and B public utility, licensee, and natural gas company subject to the jurisdiction of the Commission, required to file Form No. 1 or 2, submit, in addition, a report from independent certified public accountants attesting to the conformity, in all material respects, of certain schedules in the annual report with the relevant accounting requirements of the Commission. This procedure is designed to supplement existing Commission compliance procedures, thereby improving the Commission's effectiveness in carrying out its statutory responsibility to enforce the accounting prescriptions of the Federal Power Act and the Natural Gas Act.

Comments were submitted by four State regulatory commissions,[1] the city

[1] District of Columbia Public Utilities Commission, Missouri Public Service Commission, Public Service Commission of New Mexico, and the State Corporation Commission of Kansas.

of Chicago, 39 electric utilities or systems,[2] 11 natural gas companies,[3] three public accounting firms,[4] Edison Electric Institute (EEI), American Gas Association (AGA), Independent Natural Gas Association (INGA) and the American Institute of Certified Public Accountants (AICPA).

We have concluded that the proposed rule should issue, with some modifications.

Independent certification of compliance with the Uniform System of Accounts offers several advantages: (1) Since independent certification will be on an annual basis, current and reliable checks of compliance with the Commission's accounting requirements will be available to the staff and to State commissions; (2) it will provide jurisdictional companies and the Commission with an immediate notice of noncompliance (or of differences of opinion between company and independent accountants) and will thereby eliminate some of the uncertainties attendant to accumulated adjustments experienced under the present program; and (3) it will be accomplished largely within the framework of present annual examination by independent accountants.

Revisions adopted to rule as noticed. We have revised the rule as proposed in several ways both upon our own motion and upon the recommendations of the respondents. First, since we believe that the obligation to be imposed by the rule essentially implements the Commission's accounting responsibilities, we shall restate the rule as an amendment to the regulations under the Federal Power Act and the Natural Gas Act, parts 41 and 158 respectively. The specific schedules to be examined and the form of the letter of certification will appear only in the General Instructions to Form No. 1 and Form No. 2, for the convenience of users of those reports. These amendments also make clear that the Commission will not recognize any independent accountant who is not in fact independent, such as an accountant who has a direct or material indirect financial interest in the company whose accounts he is examining. The Commission will determine the fact of independence by considering all relevant circumstances bearing on the relationships between the company and the accountant.

Second, since there are a few instances where independent accountants are licensed rather than certified by a state, we have included independent licensed as well as independent certified public accountants to perform the services required by this rule. Third, upon the recommendation of the AICPA, we have excluded from the accountant's report those columns of a strictly nonfinancial nature which are included in the prescribed schedules.[5] Fourth, the respondent public accounting firms recommended that the wording of the accountant's letter or report of compliance with the uniform accounts be made exemplary rather than mandatory. We have revised the instruction to permit departure from the prescribed form when warranted by unusual circumstances or conditions which have been explained in the letter of certification of compliance. Fifth, many respondents indicated that submission of the accountant's certificate with the annual report Form No. 1 or Form No. 2 would not allow sufficient time for submitting the certificate. We have, therefore, relaxed the rule as proposed providing an additional 30 days for submission of the accountant's certificate commencing upon the present due date of Form No. 1 or Form No. 2.

Legality of the rule. Three arguments have been advanced challenging the Commission's authority to prescribe this rule: (1) Since the Commission has read certain policy guidelines of the Public Utility Holding Company Act as illuminating the standards of the Federal Power Act, and since the Holding Company Act contains an express authorization permitting the Securities and Exchange Commission to require independent certification of reports to it whereas there is no comparable provision in the Federal Power Act, it is asserted that this Commission does not have authority to require independent certification of compliance with the Uniform System of Accounts; (2) it is contended that Congress has affirmatively withdrawn authority from this Commission to require independent certification of compliance with the uniform accounts; (3) it is urged that this rule unlawfully delegates the Commission's authority.

First argument. In our consideration of this first argument, we shall begin by discussing why we need not read the Holding Company Act and the Federal Power Act together when considering the legality of this rule, then examine the relevant circumstances which provide a rational basis for the express authorization of independent certification of reports in the Holding Company Act, and conclude with a discussion of those provisions of the Federal Power Act which authorize us to require independent certification.

The Holding Company Act and the Federal Power Act are distinct but related Congressional mandates united under a common name, the "Public Utility Act of 1935," each bill having been prepared independently of the other, the former by this Commission and the latter by the National Power Policies Committee, formed by President Roosevelt in 1934 to make recommendations as to legislation for the regulation of holding companies. This Commission has, in carrying out the legislative intent, read certain policy guidelines of the Holding Company Act into the Power Act. Thus, pursuant to section 203 of the Federal Power Act, certain mergers or consolidations involving an electric company which is a "public utility" within the meaning of the Act, assuming it is not subject to the Holding Company Act, are subject to this Commission's approval. We have stated that the Commission's responsibility under this section must be evaluated in the light of the broader context of which section 203 of the Act is a part, namely, the Public Utility Act of 1935. We have held that "the Commission's responsibilities must be considered as forming an integral part of the Federal utility regulation pattern adopted by that legislation, along with the provisions of Title I of the Wheeler-Rayburn Act which gave to the Securities and Exchange Commission plenary authority with respect to the regulation of public utility holding companies." Western Light and Telephone Co., Inc., 33 FPC 1147, 1148 (1965). Also see Commonwealth Edison Co., 36 FPC 931 (1966). Thus we have held that the general policies of the Holding Company Act are applicable to the Federal Power Act in carrying out the intent of Congress to cure and prevent the abuses of public utility operation which had developed during the twenties and early thirties. However, this reasoning applies only to statutory standards, not to the specific regulatory tools of the Federal Power Commission. An express grant of power in the Holding Company Act authorizing the SEC to require independent certification of reports cannot be turned into a denial of the implied powers of the Federal Power Act merely on the basis that the general policies of the Public Utility Act are applicable to both Title I and Title II. Independent certification of accounts is a specific regulatory tool, not an expression of general policy. It is the Federal Power Act which must confer or deny authority to require jurisdictional companies to hire independent

[2] Alaska Electric Light and Power; Alcoa Generating, Long Sault, Tapoco, and Yadkin; Baltimore Gas and Electric; Carolina Power & Light; Central Hudson Gas & Electric; Central Illinois Public Service; Cincinnati Gas & Elec.; Cleveland Electric Illuminating Co.; Columbus & Southern Ohio Electric; Commonwealth Edison, Community Pub. Service; Detroit Edison; Florida Power Corp.; Gen'l. Public Utilities Corp.; Georgia Power; Gulf States Utilities; Illinois Power; Iowa Electric Light & Power; Iowa Southern Utilities; Kansas City P. & L.; Kansas Utilities; Lake Superior District Power Co.; Montana Power Co.; New York State Elec. & Gas Corp.; Pacific Power & Light; Philadelphia Elec.; Portland General Electric Co.; Potomac Electric Power Co.; Public Service Indiana; Public Service Company of Oklahoma; Public Service Electric & Gas; Puget Sound Power & Light; Southern California Edison; Southwestern Electric Power; Union Electric; Utah Power & Light; Washington Water Power; West Texas Utilities; Wisconsin Electric Power.

[3] Humble Gas Transmission Co.; Kansas-Nebraska Natural Gas Co., Inc.; Michigan-Wisconsin Pipe Line Co.; Natural Gas Pipeline Co. of America; North Penn Gas Co.; Panhandle Eastern Pipe Line Co.; Texas Gas Transmission Corp.; Transwestern Pipeline Co.; Trunkline Gas Co.; United Gas Pipeline Corp.; Washington Gas Light Co.

[4] Arthur Anderson and Co., Haskins and Sells, Price Waterhouse and Co.

[5] We have excluded the columns showing nonfinancial data from the following described schedules: Construction work in progress and completed construction not classified (column (b) excluded); Electric Operating Revenues (columns (d) through (g) excluded); Gas Operating Revenues (columns (f) through (i) excluded).

accountants to certify compliance with our accounting regulations.

The legislative history of the Public Utility Act of 1935 does not provide us with a reason why the drafters of the Holding Company Act provided express language authorizing the Securities and Exchange Commission to require independent certification of its reports; however, we do know that they had the opportunity to examine several Acts already passed by the Congress which expressly authorized the SEC to require independent certification, namely, the Securities Act of 1933 [6] and the Securities Exchange Act of 1934.[7] Independent certification was clearly necessary under these Acts as it would have been impracticable for the SEC staff to attempt to audit the books of the thousands of companies subject to these securities laws. In practice it has proved impossible to prescribe a comprehensive and detailed system of accounts for these companies; therefore, the SEC has regulated, instead, in terms of conformity to generally accepted (but not uniform) accounting principles. In these circumstances the independent certification provision was as vital to the SEC's experience as the responsibility to prescribe a system of accounts was to the FPC. We believe, therefore, that it is not unrealistic to conclude that the National Power Policies Committee included an express provision authorizing independent certification in the Holding Company Act simply because a similar provision was found in other enabling Acts of the Securities and Exchange Commission.

We issue this rule pursuant to the authority granted to the Federal Power Commission by sections 301, 304, and 309 of the Federal Power Act and by sections 8, 10, and 16 of the Natural Gas Act, as amended. Section 301 of the Federal Power Act and section 8 of the Natural Gas Act expressly authorize the Commission to prescribe and enforce a system of accounts for licensees, public utilities, and natural gas companies and to prescribe accounting rules and regulations. Pursuant to this authority we have prescribed a Uniform System of Accounts. This rule is designed to implement the Commission's accounting responsibilities by facilitating an early resolution of questionable accounting procedures and thereby reduce the number and minimize the size of adjustments. It is a means of enforcing compliance with the Uniform System of Accounts. Section 304 of the Federal Power Act and section 10 of the Natural Gas Act implement the accounting provisions of the Acts by authorizing the Commission to compel the disclosure and reporting of all types of data, materials and records of licensees, public utilities and natural gas companies, especially financial and corporate data. Finally, section 309 of the Federal Power Act and section 16 of the Natural Gas Act authorize the Commission "* * * to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this Act."

Therefore, in view of these sections, especially those sections authorizing the Commission to prescribe and enforce a system of accounts, we are convinced that express language authorizing the Commission to require Class A and B jurisdictional companies to hire independent accountants to certify compliance with the uniform accounts is not required. All authority of an administrative agency need not be found in explicit language. See American Trucking Association v. United States, 344 U.S. 298 (1953); National Broadcasting Co. v. United States, 319 U.S. 190 (1943); Public Service Commission of the State of New York v. Federal Power Commission, 327 F. 2d 893 (D.C. Circ., 1964).

It is also worthy of note that the Commission has, prior to this order, required certain jurisdictional companies to secure the services of independent accounts. When a natural gas pipeline company files for a rate increase under section 4 of the Natural Gas Act, the regulations require it to file with the Commission certain basic data. 18 CFR 154.63. In Order No. 254, 28 FPC 495 (1962), pursuant to sections 4 and 16 of the Natural Gas Act, the Commission amended § 154.63(e) by adding a subparagraph (6) requiring filing of an opinion by independent accountants which indicates that such accountants have examined the book amounts and accounting adjustments of the company for the base period together with the results of that examination. Thus, to require independent examination of company accounts and an expression of an opinion thereon is not without precedent in prior orders of this Commission.

Furthermore, a comparable regulation has been issued by this Commission which requires hydroelectric licensees to employ independent consultants to provide complete safety inspections of hydroelectric project works. Order No. 315, 34 FPC 1551 (1965).[8] That order was issued pursuant to sections 10(c), 304(a) and 309 of the Federal Power Act, none of which make express provision for employment of independent consultants. Just as independent hydroelectric project inspection is designed to strengthen the Commission's inspection procedures, so is independent certification designed to strengthen compliance with the Uniform System of Accounts.

Second argument. We do not accept the argument that Congress affirmatively withdrew authority from this Commission to require independent certification of compliance with the Uniform System of Accounts. In the original draft of the Public Utility Holding Company Act [9] section 12 (now section 13) would have granted the Federal Power Commission jurisdiction over mutual service companies. Section 13 (now section 14) provided that every registered holding company should file with the SEC and every mutual service company should file with the FPC such reports as the respective Commissions might require by regulations. It also provided that the SEC and the FPC might require independent certification of these reports. Later, in the substitute bill [10] which was enacted, jurisdiction over mutual service companies was granted to the SEC instead of the FPC.[11] Thus, the Federal Power Commission no longer had any jurisdiction under the Holding Company Act. We agree that we cannot write into an act of Congress a provision which Congress has affirmatively omitted; however, express authorization for independent certification of reports never was in a proposed draft of the Federal Power Act or the Natural Gas Act and then affirmatively struck by the Congress. We cannot conclude that Congress affirmatively withdrew authority to require independent certification under the Federal Power Act merely because it was at one time proposed that the Federal Power Commission be given jurisdiction under the Holding Act which happened to have an express provision authorizing independent certification. We can only conclude that at one time it was proposed that this Commission have jurisdiction over mutual service companies and that the Congress did not accept that proposal—nothing more.

Third argument. Finally, some of the respondents have also objected that this rule is an unlawful delegation of the Commission's authority. As the compliance audit and certification contemplated by the rule is only supplementary to the Commission's procedures to test compliance with the Uniform System, we do not think that this objection is meritorious. We have no intention of transferring to the independent accountants the Commission's responsibility to enforce its accounting requirements.[12]

Policy objections to the rule. Forty respondents opposed independent certification of compliance with the Uniform System of Accounts. The most common

[6] 48 Stat. 88; 15 U.S.C. 77aa (25)–(26).

[7] 48 Stat. 894; 78 Stat. 569; 15 U.S.C. 78m (a) (2).

[8] See 18 CFR 12.1–12.6.

[9] H.R. 5423, 74th Cong., 1st sess., introduced in the House on Feb. 6, 1935, and the companion bill, S. 1725, 74th Cong., 1st sess., introduced in the Senate Feb. 6, 1935.

[10] S. 2796, 74th Cong., 1st sess., introduced May 7, 1935.

[11] Sec. 14. Every registered holding company shall file with the Commission [and every mutual service company file with the Federal Power Commission], such annual, quarterly, and other periodic and special reports, the answers to such specific questions and the minutes of such directors, stockholders, and other meetings as the [respective] Commission may by rules and regulations or order prescribe as necessary or appropriate in the public interest or for the protection of investors or consumers. Such reports, if required by the rules and regulations of the Commission [having jurisdiction thereof], shall be certified by an independent public accountant and shall be made and filed at such time and in such form and detail as [such] *the* Commission shall prescribe (language deleted shown in brackets; language added is italic).

[12] Existing Commission procedures to test compliance will be discussed infra.

objection was that the costs of additional audit fees and added workloads on company personnel would not be justified by the benefits to be obtained. Information obtained from independent accounting firms indicated that fee increases would generally be within 10 to 20 percent of present fees. Based on this information and information as to the current level of audit fees, the Commission has concluded that the added cost would have only a minimal effect on the cost of service to customers of the companies subject to the rule.

Some respondents asserted that the present procedures provide adequate evidence and assurance of substantial compliance with the Uniform System of Accounts as evidenced by an asserted lack of significant deviations from the accounting requirements. We do not agree. The field examinations made by the Commission staff are the primary method of checking compliance; however, due to lack of manpower, they must be scheduled on a cycle basis at intervals of 5 or more years.[13] Although some staff audits have not disclosed significant areas of noncompliance, other field examinations have disclosed significant variations.[14] We believe that examinations of compliance by independent accountants, in addition to the periodic staff audits, will be an important supplementary means of promoting and checking compliance with accounting requirements and will reduce the number and size of adjustments. Existing supplementary means of checking compliance, such as Commission examination of the annual reports Form 1 and Form 2, and current annual audits of independent accountants, are not in themselves sufficient. Although useful to detect certain types of deviations from underlying accounting requirements of the Uniform System, review of the information included in the annual reports to the Commission, standing alone, is not a sufficient test of compliance, absent an examination of the records and procedures of the company. Nor do current annual audits of independent accountants provide adequate coverage to disclose compliance as they are designed primarily to enable the expression of an opinion as to the fairness of the overall financial statements in accordance with generally accepted accounting principles, and not necessarily with the Uniform System of Accounts. We believe that independent certification, in terms of the Uniform System, will provide the needed supplementary measures.

Some respondents also assert that compliance checks can be more effectively and efficiently carried out by the Commission staff than by independent accountants. The short answer is that the Commission staff will continue to exercise its compliance responsibility. The effectiveness of the participation of independent accountants will be reviewed by staff as it audits the financial records of the companies for the period prior to the effective date of this order. Such examination would include review of the more recent financial data covered by the independent accountants. After completion of this cycle, selective compliance audits would be made to determine the effectiveness of the program. The length of subsequent cycles will be determined by the results of staff tests. None of the benefits of current staff examination will be diminished and the independent accountants will provide a continuing check and current evidence of compliance by the companies in addition to the selective review of the staff. As the independent accounting firms gain experience, we can expect their examinations to produce ever-increasing benefits.

We recognize that the number of persons on the staffs of independent accounting firms having specialized knowledge of specific regulatory requirements may be somewhat limited today. However, the education and experience of their staff personnel provides a most appropriate background for the additional training required. Those areas where the provisions of the Uniform System of Accounts are subject to several interpretations are few and should not impair the ability of independent accountants to provide meaningful opinions on compliance. If there is any doubt as to the meaning of any provision, clarification can be obtained from the Commission staff. Such inquiries will facilitate identification of areas requiring clarification.

Several respondents objected that this rule would not eliminate the uncertainty of possible adjustments to achieve compliance because the opinions of the independent accountants would not be binding on the Commission. The function of making final determinations in accounting matters is a basic responsibility of the Commission; therefore it would be inappropriate to provide that the Commission would be bound by independent certification. However, we believe that this rule will reduce uncertainty in two ways: It will reduce the number and minimize the size of adjustments and it will facilitate an earlier resolution of questionable matters by identifying them for the Commission in the independent accountants certification and through that firm's seeking advisory rulings by the Commission on such items.

Some respondents also questioned the qualifications of independent accountants from the standpoint of their independence insofar as they frequently appear before the Commission as advocates of the natural gas and electric industries. The Commission believes that independent accountants can be expected to perform their duties effectively, notwithstanding their personal views on the appropriateness of the requirements of the Uniform System of Accounts. We have no basis for reaching a conclusion that the performance of management services has affected the independence of accountants so as to disqualify them from rendering proper certifications under the rule. Moreover, the Commission will maintain effective control by its program of staff field examinations which will include a review of work performed by the independent accountants. We are fully aware of the continuing attention being paid by the American Institute of Certified Public Accountants to the relationship of the rendering of management services by public accountants to their independence in the attest function. The many discussions on this question in professional accounting and financial journals, while interesting theoretical discussions of possible conflict, do not present any factual basis for resolving the theoretical conflict; nor are we aware of any factual situation where a conflict has been established. Indeed, such discussions enforce the view that the accounting profession is fully aware of the problem. Coupled with that recognition must necessarily be the desire to avoid any impairment of the public acknowledgment of the independence of the profession.

An important factor of special interest in this case is the existence of the well-defined standards of the Uniform System of Accounts. The attest function being required under this rule must be performed in relation to these standards and, will provide close parameters for the independent accountants which will minimize the possibility of alternative accounting treatments that exist outside the regulated industries.

Those companies which have only a small portion of their revenues subject to the Commission's rate jurisdiction have not been exempted from application of the rule. In enacting the statutes we administer Congress was not only concerned with rates, but also with the accounting practices of the electric and gas industries. Therefore, we believe that if a company is required to comply with the Uniform System of Accounts it should likewise be subject to the enforcement procedures of the Commission. Likewise, we have not exempted those companies which are subject to periodic audits by State or local regulatory commissions. Just as the Commission staff will perform periodic audits, the States may also continue to do so. The work of the independent accountants is a supplement to the enforcement procedures of the States and the Federal Power Commission.

It was also suggested that the accountant's certificate be restricted to the conventional financial statements—balance sheets, income statements, earned surplus, and paid-in surplus—or at least eliminate some of the supporting schedules. The extent of audit work of the independent public accountant necessary to provide a certification must include examination of the various accounts included in the conventional financial statements. In this rule, the details of

[13] Since the beginning of the present cycle June 30, 1964, the FPC staff has completed 60.2 percent of the 201 Class A and B electric utilities. Eighty companies remained to be audited as of June 30, 1967. During this same cycle, the FPC staff has completed 79.5 percent of the 78 Class A and B natural gas companies with 16 companies remaining to be audited as of June 30, 1967.

[14] Audits for which reports were issued during the years 1963–66 resulted in adjustments or reclassification of amounts recorded in company plant accounts of about $72.7 million. In addition the audits resulted in numerous changes in company procedures or controls to provide for proper recording of costs in the future.

some of the conventional financial statements are merely included as supporting schedules. Accordingly, restricting the accountant's opinion to the overall basic statements would not reduce the extent of audit coverage or work.

The Commission finds:

(1) The adoption of these amendments is necessary and appropriate for the administration of the Federal Power Act and the Natural Gas Act.

(2) The revisions of the proposed instruction and new amendments to the regulations of the Federal Power Act and the Natural Gas Act do not constitute substantive changes in the rule as proposed.

The Commission, acting pursuant to the authority of the Federal Power Act, as amended, particularly sections 301, 304, and 309 thereof (49 Stat 854, 855, and 858; 16 U.S.C. 825, 825c, and 825h) and of the Natural Gas Act, as amended, particularly sections 8, 10, and 16 thereof (52 Stat. 825, 826, and 830; 15 U.S.C. 717g, 717i, and 717o) orders:

(A) Effective upon the issuance of this order, Part 41, Subchapter B, Chapter I, of Title 18 of the Code of Federal Regulations is amended by adding at the end thereof a new center heading, a § 41.10, § 41.11, and § 41.12, as follows:

CERTIFICATION OF COMPLIANCE WITH ACCOUNTING REGULATIONS

§ 41.10 Examination of accounts.

All Class A and B public utilities and licensees shall secure, for the year 1968 and each year thereafter, the services of an independent certified public accountant, or independent licensed public accountant, certified or licensed by a regulatory authority of a State or other political subdivision of the United States, to test compliance in all material respects, of those schedules as are indicated in the General Instructions set out in the Annual Report, Form No. 1, with the Commission's applicable Uniform System of Accounts and published accounting releases. The Commission expects that identification of questionable matters by the independent accountant will facilitate their early resolution and that the independent accountant will seek advisory rulings by the Commission on such items. This examination shall be deemed supplementary to periodic Commission examinations of compliance.

§ 41.11 Report of certification.

Each Class A or B public utility or licensee shall file with the Commission a letter or report of the independent accountant certifying approval, together with or within 30 days after the filing of the Annual Report, Form No. 1, covering the subjects and in the form prescribed in the General Instructions of the Annual Report. The letter or report shall also set forth which, if any, of the examined schedules do not conform to the Commission's requirements and shall describe the discrepancies that exist. The Commission shall not be bound by a certification of compliance made by an independent accountant pursuant to this paragraph.

§ 41.12 Qualifications of accountants.

The Commission will not recognize any certified public accountant or public accountant who is not in fact independent. For example, an accountant will not be considered independent with respect to any person or any of its parents or subsidiaries in whom he has, or had during the period of report, any direct financial interest or any material indirect financial interest. The Commission will determine the fact of independence by considering all the relevant circumstances including evidence bearing on the relationships between the accountant and that person or any affiliate thereof.

(Secs. 301, 304, 309; 49 Stat. 854, 855, 858; 16 U.S.C. 825, 825c, 825h)

(B) Effective upon the issuance of this order, Part 158, Subchapter E, Chapter I, of Title 18 of the Code of Federal Regulations is amended by adding at the end thereof a new center heading, a § 158.10, § 158.11, and § 158.12 as follows:

CERTIFICATION OF COMPLIANCE WITH ACCOUNTING REGULATIONS

§ 158.10 Examination of accounts.

All Class A and B natural gas companies shall secure, for the year 1968 and each year thereafter, the services of an independent certified public accountant, or independent licensed public accountant, certified or licensed by a regulatory authority of a State or other political subdivision of the United States, to test compliance in all material respects, of those schedules as are indicated in the General Instructions set out in the Annual Report, Form No. 2, with the Commission's applicable Uniform System of Accounts and published accounting releases. The Commission expects that identification of questionable matters by the independent accountant will facilitate their early resolution and that the independent accountant will seek advisory rulings by the Commission on such items. This examination shall be deemed supplementary to periodic Commission examinations of compliance.

§ 158.11 Report of certification.

Each Class A or B natural gas company shall file with the Commission a letter or report of the independent accountant certifying approval, together with or within 30 days after the filing of the Annual Report, Form No. 2, covering the subjects and in the form prescribed in the General Instructions of the Annual Report. The letter or report shall also set forth which, if any, of the examined schedules do not conform to the Commission's requirements and shall describe the discrepancies that exist. The Commission shall not be bound by a certification of compliance made by an independent accountant pursuant to this paragraph.

§ 158.12 Qualifications of accountants.

The Commission will not recognize any certified public accountant or public accountant who is not in fact independent. For example, an accountant will not be considered independent with respect to any person or any of its parents or subsidiaries in whom he has, or had during the period of report, any direct financial interest or any material indirect financial interest. The Commission will determine the fact of independence by considering all the relevant circumstances including evidence bearing on the relationships between the accountant and that person or any affiliate thereof.

(Secs. 8, 10, 16; 52 Stat. 825, 826, 830; 15 U.S.C. 717g, 717i, 717o)

(C) Beginning with the Annual Report for the year 1968 and each year thereafter, Annual Report F.P.C. Form Nos. 1 and 2 prescribed, respectively, by § 141.1, Subchapter D, and § 260.1, Subchapter G, Chapter I, Title 18 of the Code of Federal Regulations, are amended by adding a General Instruction 15 for Form No. 1 and a General Instruction 17 for Form No. 2 to read as follows:

15 [17]. The respondent, if it is under the jurisdiction of the Commission,* shall file, within 30 days together with this form, or separately within 30 days after the filing date for the form, a letter or report (required by the Commission's Regulations under the Federal Power Act [Natural Gas Act]) signed by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States, attesting to the conformity, in all material respects, of the following schedules in this report with the Commission's applicable Uniform System of Accounts and published accounting releases:

Description	Schedule pages	
	Form No. 1	Form No. 2
Statement A—Comparative Balance Sheet	110–111	110–111
Notes to Balance Sheet	112	112
Statement B—Summary Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion	113	113
Statement C—Statement of Income	114–115	114–115
Notes to Statement of Income	116	116
Statement D—Statement of Earned Surplus	117	117
Materials and Supplies	207	207
Prepayments	210	210
Plant Materials and Operating Supplies	208	208
Long-Term Debt	219	219
Reconciliation of Recorded Net Income With Taxable Income for Federal Income Taxes	223	223
Accumulated Deferred Income Taxes	227	227
Common Utility Plant and Expenses	351	351
Distribution of Salaries and Wages	355–356	355–356
Electric or Gas Plant in Service	401–403	501–504
Plant Held for Future Use	405	506
Construction Work in Progress and Completed Construction Not Classified (Column (b) excluded)	406	507
Accumulated Provision for Depreciation of Electric or Gas Plant	408	508

*The qualifying phrase "if it is under the jurisdiction of the Commission" is included only in the Form No. 1 instruction.

Description	Schedule pages	
	Form No. 1	Form No. 2
Electric Operating Revenues (Columns (d) through (g) excluded)	409	
Gas Operating Revenues (Columns (f) through (i) excluded)		514
Electric or Gas Operation and Maintenance Expenses	417–420	527–532
Depreciation, Depletion and Amortization of Electric Plant	429	545

The letter or report shall be in the following form unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied:

In connection with our regular examination of the financial statements of [respondent] for the year ended _____, on which we have reported separately under date of _____, we have also reviewed schedules _____ of Form 1 [Form 2] for the year filed with the Federal Power Commission, for conformity in all material respects with the requirements of the Federal Power Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below)[1] conform in all material respects with the accounting requirements of the Federal Power Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

The letter or report shall state, additionally, which, if any, of the schedules set forth above do not conform to the Commission's requirements, and shall describe the discrepancies that exist.

(Secs. 8, 10, 16; 52 Stat. 825, 826, 830; 15 U.S.C. 717g, 717i, 717o; secs. 301, 304, 309; 49 Stat. 854, 855, 858; 16 U.S.C. 825, 825c, 825h)

(D) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.[2]

[SEAL] KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68–137; Filed, Jan. 4, 1968; 8:46 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Subtitle A—Office of the Secretary, Department of Housing and Urban Development

PART 0—STANDARDS OF CONDUCT

Private Professional Practice; Authority To Participate in Programs To Give Legal Assistance to the Poor

Part 0 of Subtitle A of Title 24 of the Code of Federal Regulations is amended by revising paragraph (c) (2) in § 0.735–204 to read as follows:

§ 0.735–204 Outside employment and other activity.

* * * * *

(c) * * *

(2) Employment in the same professional field as that of the individual's official position. However, an attorney in this Department may, in off-duty hours and consistent with his official responsibilities, participate, without compensation for his services, in a program to provide legal assistance and representation to poor persons. Such participation shall not include representation or assistance in any judicial matter or proceeding, whether Federal, State, or local, involving programs of this Department or in any other matter or proceeding in which the United States, including the District of Columbia, is a party or has a direct and substantial interest. Notice of intention to participate in such a program shall be given by the attorney in writing to his superior in such detail as that official shall require.

* * * * *

(5 U.S.C. 301; sec. 7(d) of Department of HUD Act of 1965, 42 U.S.C. 3535(d))

Effective date. This amendment shall be effective as of January 5, 1968.

ROBERT C. WOOD,
Acting Secretary of Housing and Urban Development.

[F.R. Doc. 68–179; Filed, Jan. 4, 1968; 8:48 a.m.]

Title 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

SUBCHAPTER W—AIR FORCE PROCUREMENT INSTRUCTION

MISCELLANEOUS AMENDMENTS TO SUBCHAPTER

Subchapter W of Chapter VII of Title 32 of the Code of Federal Regulations is amended as follows:

PART 1005—INTERDEPARTMENTAL AND COORDINATED PROCUREMENT

Subpart L—Commodity Assignment

§ 1005.1201 [Deleted]

1. Subpart L, Commodity Assignment, is deleted.

PART 1007—CONTRACT CLAUSES

Subpart XX—Clauses for Food Service Contracts

2. Section 1007.5003–11 is revised to read as follows:

§ 1007.5003–11 Inspection.

INSPECTION (NOVEMBER 1967)

All services, including the preparation of meals, pastries, bread and rolls, meatcutting, materials, foods, and facilities, fixtures, and equipment used by or under the control of the contractor shall be subject to inspection and tests by representatives of the Government at all times. The contractor will immediately remedy all conditions which are found by the contracting officer not to be in conformance with the requirements of this contract.

PART 1016—PROCUREMENT FORMS

Subpart H—Miscellaneous Forms

§ 1016.815 [Deleted]

3. Section 1016.815, Contract modification forms, is deleted.

PART 1054—CONTRACT ADMINISTRATION

Subpart O—Preparation and Issuance of Shipping Instructions

Subpart U—Work Request Procedures for Over and Above Work on Maintenance, Overhaul and Modification Contracts

4. Section 1054.1502 is amended by revising subparagraphs (3) and (4) of paragraph (a); § 1054.1505 is amended by revising paragraph (c); § 1054.1506 is amended by revising paragraph (e); and § 1054.2104 is amended by revising paragraph (a). These sections now read as follows:

§ 1054.1502 Application.

(a) * * *

(3) Changes in existing shipping instructions: Amended shipping instructions (ASIs) may be issued only when the contract contains a changes clause. ASIs may be issued under DD Form 1155, Order for Supplies and Services, when DD Form 1155r, which contains the changes clause, is made a part of the order.

(4) Call-type contracts and BOA orders.

* * * * *

§ 1054.1505 Contract administrative activities.

* * * * *

(c) Obtain from the contractor a proposal for contract price adjustment for changed packaging requirements, resulting from amended shipping instructions, ACO's will review all amended shipping instructions on a periodic, consolidated basis (at least once a year or whenever the net adjustment resulting from packaging or destination charges exceeds $5,000) and at the completion of contract. Except where the ACO has pricing responsibility according to Subpart D, Part 1055 of this chapter, the ACO will forward the proposal for price change with his recommendation to the procuring contracting officer for contract amendment. The ACO will not delay shipment according to the revised shipping instructions pending completion and formalization of negotiations.

§ 1054.1506 Initiators of AFPI Form 44.

* * * * *

(e) When distribution is controlled by the directorate of materiel management at the procuring AMA in AFLC, AFPI Forms 44 will be issued only according to the following:

[1] Parenthetical phrase inserted only when exceptions are to be reported.

[2] Concurring statement of Commissioner Ross filed as part of the original document.

(1) Requisitions for priorities Ø1–Ø3, NORS regardless of priority and bit and piece requirements to prevent work stoppage against repair contracts, regardless of priority, when serviceable quantities of the item are not available and cannot be obtained from other sources prior to the scheduled delivery date and delivery is scheduled within 2 months.

(2) The transfer of IM/specialized repair activity responsibility from one AMA to another or to another DoD activity.

(3) When the only supply source for an item is direct from the repair contractor and scheduled for delivery within 60 days.

(4) Production items on BOA orders and other type contracts when shipping instructions are issued on receipt of demand; i.e., tires, fuels, etc.

(5) Bulky or heavy items when mass exceeds 500 cubic feet or 1,000 pounds per line item.

(6) An AFPI Form 44 may be issued in support of a grant aid requirement or an FMS cooperative logistics requisition ("V" in column 35 and "K" in column 48) regardless of priority provided materiel is due in within 60 days. For all other FMS requirements, an ASI may be issued in support of priority designator Ø1–Ø8 requirements, when materiel is available within 60 days. Priority designator Ø9–2Ø FMS requirements may be placed in ASI only on an individual basis as approved by the D/MM or his deputy.

(7) If none of the cited conditions apply, the AFPI Form 44 must be personally reviewed and approved by the applicable division chief or deputy division chief. However, the item must be scheduled for delivery within 2 months against a firm contract delivery schedule.

(8) Requests for ASIs will be initiated against purchase orders (processed from DD Form 1155) only when any of the following apply:

(i) Requisitions for priority designator Ø1–Ø3 requirements and delivery is scheduled within 2 months.

(ii) The transfer of IM responsibility to another AMA or DoD activity.

(iii) Materiel is scheduled for delivery to an activity scheduled for phase out.

(iv) Materiel is scheduled for delivery to a contractor for a contract which has been terminated or defaulted.

* * * * *

§ 1054.2104 Processing of work requests.

(a) Work requests will be in writing, serially numbered, dated, and bear the number and description of aircraft, engines, components, etc., affected. Work requests will also indicate unit and total prices to be paid (except when issued according to § 1054.2103(c)(3)) and period of performance. Separate work requests will be issued and marked as severable or inseverable items of work. In addition, work requests—severable will contain correct citation of funds from which payment will be made. The ACO will maintain files containing all work requests issued, as well as supporting data showing coordination of interested offices and contractor's acceptance.

* * * * *

(Sec. 8012, 70A Stat. 488, secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 8012, 2301–2314)
[AFPI Rev. No. 83, Oct. 31, 1967; AF Procurement Circular No. 21, Nov. 14, 1967]

By order of the Secretary of the Air Force.

LUCIAN M. FERGUSON,
Colonel, U.S. Air Force, Chief, Special Activities Group, Office of The Judge Advocate General.

[F.R. Doc. 68–128; Filed, Jan. 4, 1968; 8:45 a.m.]

Title 36—PARKS, FORESTS, AND MEMORIALS

Chapter I—National Park Service, Department of the Interior

PART 7—SPECIAL REGULATIONS, AREAS OF THE NATIONAL PARK SYSTEM

Everglades National Park, Fla.

Notice is hereby given that pursuant to the authority contained in section 3 of the Act of August 25, 1916 (39 Stat. 535), 245 DM–1 (27 F.R. 6395), National Park Service Order No. 34 (31 F.R. 4255), Regional Director, Southeast Region Order No. 4 (31 F.R. 8135), as amended, section 7.45 of Title 36, Code of Federal Regulations, is amended as set forth below. The purpose of this amendment is to revoke regulations pertaining to: (1) The use of park roads by commercial vehicles; (2) airboats; (3) the authority of the Superintendent to close areas of the park to protect nesting and roosting birds or wildlife; (4) regattas and boat races; and (5) tampering with vessels; and to remove a reference to State law. These regulations are being revoked as they are now adequately covered in the general regulations contained in Parts 2 through 5 of this Chapter. The regulation relating to protection of aquatic life is amended to delete the reference to prima facie evidence.

Since all of the amendments are technical in nature and place no additional restrictions upon the public, public comment thereon, and a delayed effective date, are determined to be unnecessary and not in the public interest. Therefore, these amendments shall take effect immediately upon publication of this notice in the FEDERAL REGISTER.

(5 U.S.C. 553; 39 Stat. 535; 16 U.S.C. 3)

Section 7.45 of Title 36, Code of Federal Regulations, is amended as shown below:

1. Paragraph (b) is revoked.
2. Paragraph (c) (4) is revoked.
3. Paragraph (d) is revoked.
4. The last sentence of paragraph (e) is amended to read as follows:

(e) *Special protection of aquatic life.* * * * The possession within the park of any aquatic vegetation or wildlife or part thereof, or any eggs of any wildlife taken in violation of this paragraph is prohibited.

5. Paragraph (f) is revoked.
6. Paragraph (h) (7) is revoked.
7. Paragraph (h) (8) is revoked.

ROGER W. ALLIN,
Superintendent, Everglades National Park.

[F.R. Doc. 68–146; Filed, Jan. 4, 1968; 8:47 a.m.]

Chapter II—Forest Service, Department of Agriculture

PART 212—ADMINISTRATION OF THE FOREST DEVELOPMENT TRANSPORTATION SYSTEM

Road System Management

Paragraphs (a), (b), and (d) § 212.7 are revised to read as follows:

§ 212.7 Road system management.

(a) *Traffic rules*—(1) *General.* Traffic on roads under the jurisdiction of the Forest Service other than "Special Service Roads" is subject to State traffic laws where applicable.

(2) *Special service roads.* Traffic on special service roads is subject to State traffic laws where applicable, except to the extent the Chief deems it necessary to prescribe rules in addition thereto or in conflict therewith to accomplish the purposes of these regulations, §§ 212.1 to 212.12, inclusive. Such rules shall be posted at the entrances to the roads and available to the public at the offices designated in 36 CFR 200.7.

(b) *Special service roads.* The Chief may designate a forest development road or a segment thereof a "Special Service Road" and control or regulate the use of the road as necessary to accomplish the purposes of these regulations: *Provided,* That the road is not a part of the highway system of a State, county or other public road authority: *Provided further,* That the United States controls the right-of-way.

* * * * *

(d) *Maintenance and reconstruction by users of Forest Service roads.* The Chief may require but not in conflict with an existing permit, easement, contract, or other agreement, the user or users of a Special Service road, including purchasers of Government timber and other products, to maintain such roads in a satisfactory condition commensurate with the particular use requirements of each, and the Chief may impose like requirements on purchasers of Government timber and other products using other Forest Service roads. Such maintenance to be borne by each user shall be proportionate to total use and no individual user shall be required to perform or bear the costs of maintenance other than that commensurate with his use. The Chief may also require such user or users of such roads to reconstruct the same when at the time the use is requested such reconstruction is determined to be necessary to accommodate such use. If such maintenance or reconstruction cannot be so provided or if the Chief determines that maintenance or reconstruction by a user would

not be practical, then the Chief may require that sufficient funds be deposited by the user to provide his portion of such total maintenance or reconstruction. Deposits made to cover maintenance or reconstruction of roads shall be used for the purposes deposited: *Provided,* That deposits received for work on adjacent and overlapping areas may be combined when it is the most practicable and efficient manner of performing the work, and cost thereof may be determined by estimates: *Provided further,* That unexpended balances upon accomplishment of the purposes for which deposited shall be transferred to miscellaneous receipts or refunded.

* * * * *

Paragraph (b) of § 212.10 is revised to read as follows:

§ 212.10 Permission to cross lands and easements owned by the United States and administered by the Forest Service.

* * * * *

(b) *Permits for commercial hauling on special service roads.* Permits will be required for commercial hauling on "Special Service Roads" of non-Federal forest products, and other non-Federal products, commodities, and materials when the Chief determines that such owners or haulers should provide: (1) Proportionate maintenance; (2) an equitable and reasonable needed reciprocal benefit to the United States; (3) a share of the cost of construction, reconstruction, or improvement of such road or segment thereof; or (4) any combination of these. When such owners or haulers have not provided to the United States the needed reciprocal benefit, or borne their share of the cost, permission to use a road will be conditioned for any applicant upon the terms and requirements and subject to the like conditions and charges as prescribed in § 212.7 (c) and (d), paragraph (a) of this section, and § 212.11(d) for permission to construct or use such roads.

* * * * *

Done at Washington, D.C., this 2d day of January 1968.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 68-163; Filed, Jan. 4, 1968; 8:48 a.m.]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 101—Federal Property Management Regulations

UTILIZATION OF AUTOMATIC DATA PROCESSING RESOURCES

Subchapter A is amended to delete subparts in Part 101–6 related to the utilization of automatic data processing (ADP resources). Accordingly, the material covering this subject has been revised and Subchapter E is amended to provide revised policies, procedures, and reporting requirements for ADP resources utilization.

SUBCHAPTER A—GENERAL

The table of contents for Part 101–6 is amended by deleting and reserving Subparts 101–6.3 and 101–6.49, as follows:

Subparts 101–6.3—101–6.49 [Reserved]

PART 101–6—MISCELLANEOUS REGULATIONS

Part 101–6 is amended by deleting and reserving Subparts 101–6.3 and 101–6.49, as follows:

Subparts 101–6.3—101–6.49 [Reserved]

SUBCHAPTER E—SUPPLY AND PROCUREMENT

PART 101–32—GOVERNMENT-WIDE AUTOMATED DATA MANAGEMENT SERVICES

Part 101–32 is amended by changing the title and adding new sections and text to previously reserved Subparts 101–32.2 and 101–32.49, adding new Subpart 101–32.47, and revising Subpart 101–32.48, as follows:

Subpart 101–32.2—Automatic Data Processing Resources Utilization

Sec.

101–32.200	Applicability and scope of subpart.
101–32.201	Definitions.
101–32.202	Program administration.
101–32.203	Government-wide ADP Sharing Program.
101–32.203–1	ADP sharing procedures.
101–32.203–2	ADP services obtained from a commercial source.
101–32.203–3	Exemptions.

Subparts 101–32.7—101–32.46 [Reserved]

Subpart 101–32.47—Reports

101–32.4700	Scope of subpart.
101–32.4701	Reporting of sharing and services obtained from a commercial source.
101–32.4701–1	Reports by ADP units.
101–32.4701–2	Centralized reporting.

Subpart 101–32.48—Exhibits

101–32.4800	Scope of subpart.
101–32.4801	ADP resources utilization operating officials.
101–32.4802	Map showing GSA regions and locations of ADP sharing exchanges.

Subpart 101–32.49—Illustrations of Forms

101–32.4900	Scope of subpart.
101–32.4901	Standard forms. [Reserved]
101–32.4902	GSA forms.
101–32.4902–2068	GSA Form 2068: Request for ADP Services.
101–32.4902–2068A	GSA Form 2068A: Quarterly Report of ADP Service Provided to Another Agency or Obtained From a Commercial Source.

AUTHORITY: The provisions of this Part 101–32 issued under sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).

PART 101–32—GOVERNMENT-WIDE AUTOMATED DATA MANAGEMENT SERVICES

Subpart 101–32.2—Automatic Data Processing Resources Utilization

§ 101–32.200 Applicability and scope of subpart.

This subpart is applicable to all Federal agencies and establishes policies and procedures governing the utilization of automatic data processing (ADP) resources.

§ 101–32.201 Definitions.

Terms used in this subpart are defined as follows:

(a) "Federal agency" means any executive agency (executive department or independent establishment in the executive branch, including any wholly owned Government corporation) or any establishment in the legislative or judicial branch of the Government (except the Senate, the House of Representatives, and the Architect of the Capitol, and any activities under his direction).

(b) An "ADP resource" is:

(1) Automatic data processing equipment (ADPE). This includes general purpose electronic data processing equipment (EDPE) and punch card accounting machines (PCAM or EAM) irrespective of use, application, or source of funding, and includes ADPE built to Government specifications;

(2) Software (the totality of programs and routines used to extend the capabilities of computers, such as compilers, assemblers, narrators, routines, and subroutines); and

(3) Personal services (management systems analysts, programers, operators, etc.).

(c) An "ADP unit" is any organizational element of the Federal Government which:

(1) Uses or plans to use ADP equipment;

(2) Acquires or plans to acquire ADP services (i.e., services for machine time, operations, and maintenance; systems analysis and design; programing; training; and studies or advice on equipment acquisition, selection, and use) from Government or other sources;

(3) Has organizational components which perform ADP functions such as coordinating ADP programs and activities; developing, programing, and implementing systems; reviewing, recommending, or selecting ADP equipment; approving the acquisition of ADP equipment or services; or providing ADP services on a consulting or project basis for agency ADP units; or

(4) Has Government contractors, including educational institutions and other not-for-profit contractors or organizations, who operate ADP equipment in the performance of work under cost reimbursement-type contracts or subcontracts when:

(i) Equipment is leased and the total cost of leasing is to be reimbursed under one or more cost reimbursement-type contracts;

(ii) Equipment is purchased by the contractor for the account of the Government or title will pass to the Government;

(iii) The equipment is furnished to the contractor by the Government; or

(iv) The equipment is installed in Government-owned, contractor-operated facilities.

§ 101–32.202 Program administration.

The Government-wide ADP Sharing Program is administered by the Office of Automated Data Management Services, Federal Supply Service, GSA. Regional Interagency ADP Coordinators (locations are illustrated in § 101–32.4802, addresses are shown in § 101–32.4801) assist in the administration of this program.

§ 101–32.203 Government-wide ADP Sharing Program.

(a) This program is operated by means of a complex of ADP sharing exchanges designed to provide maximum assistance to Federal activities located in the 50 States and the District of Columbia, in obtaining initial or additional ADPE time, software, or personal services.

(b) ADP sharing exchanges are operated by Regional Interagency ADP Coordinators in the GSA regions. Additional ADP sharing exchanges are operated within GSA regions by other Federal activities where ADP resources are highly concentrated. These ADP sharing exchanges are established by interagency agreements between GSA and other Federal agencies and are managed by the agencies concerned under the technical supervision and guidance of the appropriate Regional Interagency ADP Coordinator. Each ADP sharing exchange assists ADP units in obtaining ADP services through this program's nationwide information and referral system. GSA regions and locations of existing ADP sharing exchanges are illustrated in § 101–32.4802.

§ 101–32.203–1 ADP sharing procedures.

(a) Regional Interagency ADP Coordinators will furnish ADP units (with ADPE) located in their GSA regions with a listing of ADPE available for sharing as reported by Federal agencies under the ADP Management Information System. These ADP units shall screen the listing to locate and directly negotiate for the services desired. If the result of a screening is unsuccessful, the requirement shall be referred to the appropriate ADP sharing exchange for assistance. Requests for assistance may be made by mail, telephone, or personal contact. GSA Form 2068, Request for ADP Services (illustrated at § 101–32.4902–2068), should be used for mail requests.

(b) ADP units (with no ADPE) with requirements for initial or additional ADP services shall negotiate sharing arrangements by:

(1) Direct contact with ADP unit representatives, where feasible; or

(2) Referring the requirement for ADP services to the appropriate ADP sharing exchange.

§ 101–32.203–2 ADP services obtained from a commercial source.

ADP units in 50 States and the District of Columbia shall defer obtaining ADP time and related services from a commercial source pending compliance with § 101–32.203–1(a). The action taken and results thereof, shall be fully documented for audit purposes. See Part 101–35 if telecommunications or public utilities services are required.

§ 101–32.203–3 Exemptions.

(a) It is incumbent upon all ADP units to exert every effort to participate in the sharing of their ADP resources to attain maximum use of these resources. However, it is recognized that agencies may desire specific exemptions from sharing ADP equipment due to the peculiarity or uniqueness of a particular program or mission, or to the design of the equipment. Accordingly, the following ADPE are exempt from the requirements for sharing in accordance with this § 101–32.203:

(1) EDPE built or modified to special Government design specifications which has no general purpose applicability and is integral to a weapons or space system; and

(2) Analog computers.

(b) When Federal agencies desire to exempt ADP equipment (EDPE and PCAM) not specifically exempt in § 101–32.203–3(a), to avoid compromise of national security or defense, or to assure economy and efficiency, requests for such exemptions shall be submitted, with adequate justification, to the Commissioner, Federal Supply Service, General Services Administration, Washington, D.C. 20405. ADP equipment to be exempted shall be identified by the ADP unit number prescribed in BOB Circular No. A–83, April 20, 1967 (ADP Management Information System).

Subparts 101–32.7—101–32.46 [Reserved]

Subpart 101–32.47—Reports

§ 101–32.4700 Scope of subpart.

This subpart sets forth the reports required by this Part 101–32 and prescribes instructions for submission of the reports.

§ 101–32.4701 Reporting of sharing and services obtained from a commercial source.

ADP sharing accomplished by Federal agencies shall be reported directly by ADP units as provided in § 101–32.4701–1 or centrally as provided in § 101–32.4701–2. In this connection, ADP sharing means the use of available but unused ADP resources by other activities for which the ADP unit was not established or programed to support. This would include sharing on a reimbursable or nonreimbursable basis.

§ 101–32.4701–1 Reports by ADP units.

Reporting of sharing and services obtained from a commercial source by ADP units shall be submitted, in duplicate, on GSA Form 2068A, Quarterly Report of ADP Service Provided to Another Agency or Obtained From a Commercial Source (illustrated at § 101–32.4902–2068A), to the appropriate Regional Interagency ADP Coordinator not later than the 15th of January, April, July, and October of each year. Addresses of the ADP Coordinators are shown in § 101–32.4801 and locations are illustrated in § 101–32.4802.

§ 101–32.4701–2 Centralized reporting.

Federal agencies may elect to submit quarterly reports on a centralized basis at any organizational level desired. Federal agencies electing this method of reporting shall inform the General Services Administration, Federal Supply Service, Assistant Commissioner for Automated Data Management Services—FT, Washington, D.C. 20405, to this effect and explain the reporting procedures to be followed. Reports submitted in accordance with this § 101–32.4701–2 shall be submitted, in duplicate, on GSA Form 2068A and forwarded to the General Services Administration, Federal Supply Service, Inventory and Requirements Management Division—FTI, Washington, D.C. 20407, not later than the 15th of January, April, July, and October of each year.

Subpart 101–32.48—Exhibits

§ 101–32.4800 Scope of subpart.

This subpart contains the addresses and locations of Interagency ADP Coordinators, and ADP sharing exchanges.

§ 101–32.4801 ADP resources utilization operating officials.

GSA CENTRAL OFFICE, WASHINGTON, D.C.

Chief, Resources Utilization Branch—FTIR, Office of Automated Data Management Services, FSS, General Services Administration, Seventh and D Streets SW., Room 6662 D, Washington, D.C. 20407. Telephone: Area Code 202, 963–3866, IDS Code 13–33866.

GSA REGION 1, BOSTON, MASS.

[1] Regional Interagency ADP Coordinator—1FT, Federal Supply Service, General Services Administration, Post Office and Courthouse Building, Boston, Mass. 02109. Telephone: Area Code 617, 223–2663.

GSA REGION 2, NEW YORK, N.Y.

[1] Regional Interagency ADP Coordinator—2FT, Federal Supply Service, General Services Administration, 30 Church Street, New York, N.Y. 10007. Telephone: Area Code 212, 264–8349.

Philadelphia ADP Sharing Exchange, Veterans Administration, Post Office Box 8079, Philadelphia, Pa. 19101. Telephone: Area Code 215, 438–0529.

GSA REGION 3, WASHINGTON, D.C.

Central ADP Sharing Exchange—FTIR (acts as coordinator for Region 3), Federal Supply Service, General Services Administration, Seventh and D Streets SW., Washington, D.C. 20407. Telephone: Area Code 202, 963–5272, IDS Code 13–35272.

Tidewater ADP Sharing Exchange, Headquarters 5th Naval District, Norfolk, Va. 23511. Telephone: Area Code 703, 744–7557.

GSA REGION 4, ATLANTA, GA.

[1] Regional Interagency ADP Coordinator—4FT, Federal Supply Service, General Services Administration, 1776 Peachtree Street NW., Atlanta, Ga. 30309. Telephone: Area Code 404, 526–5772.

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[1] Responsibilities include operation of a sharing exchange.

Mississippi, Alabama, and Slidell, La., ADP Sharing Exchange, National Aeronautics and Space Administration, George C. Marshall Space Flight Center, Huntsville, Ala. 35812. Telephone: Area Code 205, 876–4840.

GSA REGION 5, CHICAGO, ILL.

[1] Regional Interagency ADP Coordinator—5FT, Federal Supply Service, General Services Administration, U.S. Courthouse and Federal Building, 219 South Dearborn Street, Chicago, Ill. 60604. Telephone: Area Code 312, 828–5406.

GSA REGION 6, KANSAS CITY, MO.

[1] Regional Interagency ADP Coordinator—6FT, Federal Supply Service, General Services Administration, Federal Building, 1500 East Bannister Road, Kansas City, Mo. 6431. Telephone: Area Code 816, 361–7540.

St. Louis ADP Sharing Exchange, Federal Supply Service, General Services Administration, 1640 Federal Office Building, 1520 Market Street, St. Louis, Mo. 63103. Telephone: Area Code 816, 334–2516.

GSA REGION 7, FORT WORTH, TEX.

[1] Regional Interagency ADP Coordinator—7FT, General Services Administration, 819 Taylor Street, Fort Worth, Tex. 76102. Telephone: Area Code 817, 334–2516.

South Texas ADP Sharing Exchange, National Aeronautics and Space Administration, Manned Spacecraft Center, Houston, Tex. 77058. Telephone: Area Code 713, 483–4688.

GSA REGION 8, DENVER, COLO.

[1] Regional Interagency ADP Coordinator—8FT, Federal Supply Service, General Services Administration, Building 41, Denver Federal Center, Denver, Colo. 80225. Telephone: Area Code 303, 233–3611, Extension 8495.

GSA REGION 9, SAN FRANCISCO, CALIF.

[1] Regional Interagency ADP Coordinator—9FT, Federal Supply Service, General Services Administration, 49 Fourth Street, San Francisco, Calif. 94103. Telephone: Area Code 415, 556–7877.

Hawaii ADP Sharing Exchange, Federal Supply Service, General Services Administration, Hickam AFB, Hawaii 96824. Telephone: Area Code 808, 443–951.

Southern California ADP Sharing Exchange, Headquarters 11th Naval District, San Diego, Calif. 92130. Telephone: Area Code 714, 235–3607.

GSA REGION 10, AUBURN, WASH.

[1] Regional Interagency ADP Coordinator—10FT, Federal Supply Service, General Services Administration, Regional Headquarters Building, Auburn, Wash. 98002. Telephone: Area Code 206, 833–5213.

Oregon ADP Sharing Exchange, Bonneville Power Administration, Portland, Oreg. 97208. Telephone: Area Code 503, 224–3513.

[1] Responsibilities include operation of a sharing exchange.

§ 101–32.4802 Map showing GSA regions and locations of ADP sharing exchanges.

NOTE: Map illustration filed as part of original document.

Subpart 101–32.49—Illustration of Forms

§ 101–32.4900 Scope of subpart.

This subpart illustrates forms prescribed or available for use in connection with subject matter covered in other subparts of Part 101–32.

§ 101–32.4901 Standard forms. [Reserved]

§ 101–32.4902 GSA forms.

(a) The GSA forms are illustrated in this § 101–32.4902 to show their text, format, and arrangement and to provide a ready source of reference. The subsection numbers in this section correspond with the GSA form numbers.

(b) GSA forms illustrated in this § 101–32.4902 may be obtained by Federal agencies from General Services Administration Region 3, Office of Administration, Administrative Services Division—3BRD, Washington, D.C. 20407, unless otherwise provided in the section prescribing the form.

§ 101–32.4902–2068 GSA Form 2068, Request for ADP Services.

§ 101–32.4902–2068A GSA Form 2068A, Quarterly Report of ADP Service Provided to Another Agency or Obtained From a Commercial Source.

NOTE: The forms listed in §§ 101–32.4902–2068 and 101–32.4902–2068A are filed as a part of the original document.

Effective date. This regulation is effective upon publication in the FEDERAL REGISTER, however, existing contracts which agencies may be utilizing for obtaining ADP time or services may continue to be used until expiration of the contract.

Dated: December 28, 1967.

J. E. MOODY,
Acting Administrator of General Services.

[F.R. Doc. 68–189; Filed, Jan. 4, 1968; 8:49 a.m.]

Title 50—WILDLIFE AND FISHERIES

Chapter I—Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, Department of the Interior

PART 33—SPORT FISHING

McNary National Wildlife Refuge, Wash.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 33.5 Special regulations; sport fishing; for individual wildlife refuge areas.

WASHINGTON

MC NARY NATIONAL WILDLIFE REFUGE

Sport fishing on the McNary National Wildlife Refuge, Wash., is permitted only on the area designated by signs as open to fishing. This open area, comprising 400 acres, is delineated on maps available at the refuge headquarters and from the office of the Regional Director, Bureau of Sport Fisheries and Wildlife, 730 Northeast Pacific Street, Portland, Oreg. 97208. Sport fishing shall be in accordance with all applicable State regulations, subject to the following special conditions:

(1) The refuge is closed to sport fishing during the migratory waterfowl hunting season.

(2) The use of boats or floating devices of any description is prohibited.

The provisions of this special regulation supplement the regulations which govern fishing on wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 33, and are effective to January 1, 1969.

JOHN D. FINDLAY,
Acting Regional Director, Bureau of Sport Fisheries and Wildlife.

DECEMBER 28, 1967.

[F.R. Doc. 68–138; Filed, Jan. 4, 1968; 8:46 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Bureau of Customs

[19 CFR Part 1]

CUSTOMS DISTRICTS OF WASHINGTON, D.C.

Notice of Proposed Establishment of New District in Region III and Extension of Limits of Port of Entry

Customs administration in the Washington, D.C., metropolitan area is presently divided between the Baltimore, Md., Customs district and the Norfolk, Va., Customs district. In addition, Washington National Airport, Dulles International Airport, and Andrews Air Force Base, all of which require customs services on a continuing basis, are located outside the existing port limits of either Washington, D.C., or Alexandria, Va. In order to improve customs service to the public and customs administration, it is considered desirable to establish a new Customs district of Washington, D.C., embracing the District of Columbia, part of the State of Maryland now in the Baltimore district, and part of the State of Virginia now in the Norfolk district, and to extend the port limits of the port of Washington, D.C.

Accordingly, notice is hereby given that under the authority vested in the President by section 1 of the Act of August 1, 1914, 38 Stat. 623 (19 U.S.C. 2), which was delegated to the Secretary of the Treasury by the President by Executive Order No. 10289, September 17, 1951 (3 CFR Ch. II), and pursuant to authorization given to me by Treasury Department Order No. 190, Rev. 4 (30 F.R. 15769), it is proposed to establish in Customs Region III a Washington, D.C., Customs district with the port of Washington, D.C., as the headquarters port.

The area of the proposed district is described as follows:

The District of Columbia, the counties of Montgomery and Prince George's in the State of Maryland, the counties of Loudoun, Fairfax, and Arlington, and the city of Alexandria in the State of Virginia, including any independent cities and towns within the boundaries of such counties.

It is further proposed to extend the present limits of the port of Washington, D.C., to include all the area lying within the circumference of Interstate Route 495 (except the city of Alexandria), Dulles International Airport, and access road in Fairfax and Loudoun Counties, Va., and the area adjacent to Interstate Route 495 bounded by Maryland Highways Nos. 4, 5, and 223 in Prince George's County, Md.

It is further proposed to amend section 1.2(c) of the Customs Regulations to reflect the necessary additions, deletions, and changes in the geographical areas of the districts within Customs Region III and the ports of entry affected by the proposed changes.

Data, views, or arguments with respect to the foregoing may be addressed to the Commissioner of Customs, Washington, D.C. 20226. To insure consideration of such communications, they must be received in the Bureau not later than 30 days from the date of the publication of this notice in the FEDERAL REGISTER. No hearings will be held.

[SEAL] MATTHEW J. MARKS,
Acting Assistant Secretary of the Treasury.

DECEMBER 27, 1967.

[F.R. Doc. 68-186; Filed, Jan. 4, 1968; 8:49 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 991]

[Docket No. AO 357-A1]

HOPS OF DOMESTIC PRODUCTION

Notice of Hearing With Respect to Proposed Amendment of Marketing Order

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674), and in accordance with the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held at the South Galleria, Portland Hilton Hotel, 921 Southwest Sixth Avenue, Portland, Oreg. 97204, beginning at 9:30 a.m., local time, February 1, 1968, with respect to proposed amendment of Marketing Order No. 991 (7 CFR Part 991), regulating the handling of hops of domestic production. The proposed amendments have not received the approval of the Secretary of Agriculture.

The public hearing is for the purpose of receiving evidence with respect to the economic, marketing, and other conditions which relate to the proposed amendments, hereinafter set forth, and to any appropriate modifications thereof.

The Hop Administrative Committee, the administrative agency established pursuant to the marketing order, proposed the following amendment and requested a hearing thereon:

VOLUME LIMITATIONS

1. Revise § 991.37(b) as follows:

(b) *Limitations on allotment percentage.* The allotment percentage applicable to the 1967 crop shall be not less than 93 percent and the respective allotment percentages applicable to the 1968, 1969, and 1970 crops shall be not less than 85 percent. (Notice further is given that evidence also will be received as to: (a) Appropriate minimum allotment percentages to be applicable to crops subsequent to the 1970 crop; (b) whether the foregoing percentages applicable to the 1969 and 1970 crops should be changed; and (c) on the related question of whether the provisions of § 991.38(c) dealing with contract exemptions should be changed.)

The following amendments are proposed by the Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture:

2. Delete § 991.33.

3. Make such other changes in the marketing order as may be necessary to make the entire marketing order conform with any amendments thereto that may result from this hearing.

Copies of this notice may be obtained from the Portland Marketing Field Office, Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, 1218 Southwest Washington Street, Portland, Oreg. 97205, or from the Hop Administrative Committee, 430 Southwest Morrison Street, Portland, Oreg. 97207.

Dated: December 29, 1967.

JOHN C. BLUM,
Deputy Administrator, Regulatory Program.

[F.R. Doc. 68-162; Filed, Jan. 4, 1968; 8:48 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 67-SW-91]

CONTROL ZONE AND TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations to alter controlled airspace in the Beaumont, Tex., terminal area.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Division, Southwest Region, Federal Aviation Administration, Post Office Box 1689, Fort Worth, Tex. 76101. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements

for informal conferences with Federal Aviation Administration officials may be made by contacting the Chief, Air Traffic Division. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, Fort Worth, Tex. An informal Docket will also be available for examination at the Office of the Chief, Air Traffic Division.

The Beaumont, Tex., control zone and transition area are presently described in FAR, Part 71, § 71.171 (32 F.R. 2076, 13806) and § 71.181 (32 F.R. 2157, 13806).

It is proposed to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth.

(1) In § 71.171 (32 F.R. 2076, 13806) the Beaumont, Tex., control zone is amended by substituting "* * * 7 miles SW of the VOR * * *" for "* * * 8 miles SW of the VOR * * *."

(2) In § 71.181 (32 F.R. 2157, 13806) the Beaumont, Tex., transition area is amended as follows:

BEAUMONT, TEX.

That airspace extending upward from 700 feet above the surface within 2 miles each side of the Beaumont ILS localizer NW course extending from the OM to 8 miles northwest of the OM, within 2 miles each side of the Beaumont ILS localizer southeast course extending from the arc of a 5-mile radius circle centered at Jefferson County Airport (lat. 29°57'05" N., long. 94°01'10" W.) to 17 miles southeast of the approach end of Runway 29; within a 5-mile radius of Beaumont Municipal Airport (lat. 30°04'15" N., long. 94°13'00" W.); and within 2 miles each side of the 308° (301° magnetic) bearing from the Beaumont ILS LOM, extending from the 5-mile radius area to the LOM; and that airspace extending upward from 1,200 feet above the surface within a 25-mile radius of lat. 29°54'40" N., long. 94°02'40" W.

The alterations, as proposed, will provide airspace protection for aircraft executing instrument approach/departure procedures at the Beaumont Municipal Airport.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Fort Worth, Tex., on December 27, 1967.

A. L. COULTER,
Acting Director, Southwest Region.

[F.R. Doc. 68-174; Filed, Jan. 4, 1968; 8:48 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 67-SW-82]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations to designate a transition area at Sugar Land, Tex. The proposed transition area will provide airspace protection for aircraft executing the approach/departure procedures proposed at Hull Field, Sugar Land, Tex.

Interested persons may submit such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Division, Southwest Region, Federal Aviation Administration, Post Office Box 1689, Fort Worth, Tex. 76101. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Chief, Air Traffic Division. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested persons at the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, Fort Worth, Tex. An informal docket will also be available for examination at the Office of the Chief, Air Traffic Division.

It is proposed to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth.

In § 71.181 (32 F.R. 2148), the following transition area is added:

SUGAR LAND, TEX.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Hull Field (lat. 29°37'37" N., long. 95°39'30" W.) and within 2 miles each side of the 348° (340° magnetic) bearing from the Sugar Land RBN (lat. 29°37'53" N., long. 95°39'25" W.) extending from the 5-mile radius area to 8 miles north of the RBN, excluding the portion within the Alief, Tex., transition area.

The location of the Sugar Land RBN as depicted on the sectional chart is indicated as being approximately 1 mile east of the airport; however, as the RBN is actually located on the airport at a distance of approximately 600 feet east of the centerline of the north/south runway, the configuration of the transition area extension is based on this location (lat. 29°37'53" N., long. 95°39'25" W.).

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Fort Worth, Tex., on December 27, 1967.

A. L. COULTER,
Acting Director, Southwest Region.

[F.R. Doc. 68-175; Filed, Jan. 4, 1968; 8:48 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 67-CE-150]

ADDITIONAL CONTROL AREA

Proposed Designation

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would designate an additional control area from Kirksville, Mo., with a 1,200-foot AGL floor direct to Moline, Ill. This proposed additional control area would provide controlled airspace for instrument flight rule air traffic operating between Kirksville and Moline.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Building, Federal Aviation Administration, 601 East 12th Street, Kansas City, Mo. 64106. All communications received within 30 the FEDERAL REGISTER will be considered days after publication of this notice in before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20590. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on December 27, 1967.

T. MCCORMACK,
Acting Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68-156; Filed, Jan. 4, 1968; 8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 67-CE-158]

FEDERAL AIRWAY

Proposed Designation

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would designate a VOR Federal airway from Dubois, Idaho, to Drummond, Mont., via Bozeman, Mont., the floors for this proposed airway would be designated from Dubois 1,200-foot AGL to Bozeman; 51 miles, 1,200 feet AGL, 34 miles, 10,300 feet MSL, 8,400 feet MSL to Drummond. The proposed airway would provide a route with controlled airspace for instrument flight rule traffic operating from Dubois to Drummond via Bozeman.

Interested persons may participate in the proposed rule making by submitting

such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, 601 East 12th Street, Kansas City, Mo. 64106. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20590. An informal docket also will be available for examination at the Office of the Regional Air Traffic Division Chief.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on December 27, 1967.

T. MCCORMACK,
Acting Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68-157; Filed, Jan. 4, 1968; 8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 67-CE-156]

FEDERAL AIRWAY

Proposed Extension

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would extend VOR Federal airway No. 257 from Great Falls, Mont., direct to a VOR to be commissioned in the vicinity of Havre, Mont., at lat. 48°32'30" N., long. 109°45'55" W., with the airway floor proposed from Great Falls 73 miles at 5,600 feet MSL thence 1,200 feet AGL to Havre.

This proposed segment of V-257 would provide a route with controlled airspace for instrument flight rule traffic operating between Great Falls and Havre.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Building, Federal Aviation Administration, 601 East 12th Street, Kansas City, Mo. 64106. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20590. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on December 27, 1967.

T. MCCORMACK,
Acting Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68-158; Filed, Jan. 4, 1968; 8:48 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 67-CE-151]

FEDERAL AIRWAY

Proposed Extension

The Federal Aviation Administration is considering amendments to Part 71 of the Federal Aviation Regulations that would extend VOR Federal airway No. 430 from Williston, N. Dak., to Cut Bank, Mont., with a 1,200-foot AGL floor via Glasgow, Mont., and a VOR to be commissioned in the vicinity of Havre, Mont., at lat. 48°32'30" N., long. 109°45'55" W., including a south alternate segment with a 1,200-foot AGL floor from Williston to Glasgow via the intersection of the Williston 263° T (248° M) and Glasgow 117° T (100° M) radials. This extended airway with the proposed south alternate would provide a route with controlled airspace for air traffic operating from Williston via Wolf Point, Mont., and Glasgow to Havre. The proposed segment between Havre and Cut Bank would provide route continuity between these two terminals.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Building, Federal Aviation Administration, 601 East 12th Street, Kansas City, Mo. 64106. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20590. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on December 26, 1967.

T. MCCORMACK,
Acting Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68-159; Filed, Jan. 4, 1968; 8:48 a.m.]

[14 CFR Part 91]

[Docket No. 8619; Notice 67-57]

FOREIGN CIVIL AIRCRAFT WITHOUT DME

Proposed Flights

The Federal Aviation Administration is considering amending Part 91 of the Federal Aviation Regulations to permit the conduct of certain flights above 24,000 feet by foreign civil aircraft that are not equipped with distance measuring equipment (DME).

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to: Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket GC-24, 800 Independence Avenue SW., Washington, D.C. 20590. All communications received on or before March 5, 1968, will be considered by the Administrator before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

Since 1963 a series of amendments have established certain DME requirements for all civil aircraft operated in the United States. The DME is mandatory if the aircraft uses VOR as the required navigational equipment and is operated at or above an altitude of 24,000 feet MSL. The increasing volume of high speed traffic above this altitude has made DME a necessity in order to provide more precise position information for air traffic control purposes. Amendments 91-23 and 91-28, issued in 1965 and 1966 respectively, extended the requirement to foreign civil aircraft operated within the United States. Since that time it has become apparent that a number of foreign civil aircraft are operated in the United States for only very brief periods and thereafter remain outside the United States where DME is not required. For these brief periods foreign operators must install DME or operate at altitudes below 24,000, either of which imposes a substantial economic burden. In many cases, the use of a lower altitude is not consistent with the purpose of the flight, e.g., testing, demonstration, or crew training. As a consequence, the DME is virtually mandatory to the successful completion of such flights.

The FAA, recognizing this problem, has issued a number of exemptions to permit foreign operators, for very brief

periods, to conduct certain training, testing, and ferry flights without DME, thus avoiding the undue economic burden that would be imposed by the requirement. The FAA is now proposing limited regulatory exceptions that will be similar to these exemptions. Since it appears that the number of flights conducted under these circumstances would be minimal in relation to the overall volume of IFR traffic, the lack of DME should have no significant effect on air traffic problems or safety, provided ATC is notified before departure of each flight.

In consideration of the foregoing, it is proposed to amend § 91.43 of the Federal Aviation Regulations by adding the following at the end of paragraph (e) thereof:

"However, this paragraph does not apply to foreign civil aircraft on flights conducted for the following purposes, if DME is not installed and available and if ATC is notified before departure on each leg of the flight:

(1) Ferry flights to and from a place in the United States where repairs or alterations are to be made.

(2) Ferry flights to a new country of registry.

(3) Flight of a new aircraft of U.S. manufacture for the purpose of—

(i) flight testing the aircraft;

(ii) training foreign flight crews in the operation of the aircraft; or

(iii) ferrying the aircraft for export delivery outside the United States.

(4) Ferry, demonstration, and test flights of an aircraft brought to the United States for the purpose of demonstration or testing the whole or any part thereof.

This amendment is proposed under the authority of sections 307, 313(a), and 601 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1354(a), and 1421).

Issued in Washington, D.C., on December 28, 1967.

EDWARD C. HODSON,
Acting Director,
Flight Standards Service.

[F.R. Doc. 68-160; Filed, Jan. 4, 1968; 8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 240]

[Release No. 34-8218]

NET CAPITAL REQUIREMENTS FOR BROKERS AND DEALERS

Treatment of Convertible Debt Securities

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposal to amend its Rule 15c3-1 (17 CFR 240.15c3-1) under the Securities Exchange Act of 1934 ("Exchange Act"). This rule imposes specified financial responsibility requirements on brokers and dealers.

Subparagraph (c)(2) of the rule provides that, in the computation of "net capital," certain adjustments must be made to "net worth." Among these are deductions of specified percentages of market values of securities which are either carried in the capital, proprietary, and other accounts of a broker or dealer, or which are the subject of open contractual commitments in any such accounts, to the extent of each net long or net short position contemplated by the commitments. The proposed amendment, which would be adopted under the provisions of sections 15(c)(3) and 23(a) of the Exchange Act, would modify and, to some extent, reduce the amount to be deducted from net worth with respect to convertible debt securities which are carried in such accounts or are the subject of such open contractual commitments.

Under existing provisions of Rule 15c3-1 (17 CFR 240.15c3-1), the amounts to be deducted in the case of nonconvertible debt securities differ in many respects quite widely from the flat 30 percent deduction applicable in connection with common stocks. As pointed out in the Report of the Special Study of Securities Markets,[1] however, when convertible debt securities sell at a price in excess of face value they are really selling in part as stock, whereas when "the price of the underlying stock is below the conversion price it is probable that there is a greater tendency for the bonds to sell as debt securities and not on the basis of their conversion price." To the extent that the price of a convertible debt security indicates that it is being treated essentially as an equity security, it appears appropriate that the prescribed deduction from net worth should be similar to that applicable to stock. On the other hand, if the price of the convertible debt security shows it is being regarded in the market as primarily a debt security with little or no value given for the conversion right, it appears appropriate that the deduction should be the same as that prescribed for nonconvertible debt securities. When a convertible debt security becomes in essence a straight debt security, its market price is generally subject to the same general influences which affect straight debt securities, such as changes in interest rates and business conditions generally. Under the proposed amendment of Rule 15c3-1 (17 CFR 240.15c3-1), a convertible debt security would be regarded as a straight debt security (without the speculative element of the conversion right) when its market value is below 90 percent of face value.

On the basis of the foregoing considerations, the Commission deems it appropriate to amend Rule 15c3-1 (17 CFR 240.15c3-1) by effecting modifications of deductions from net worth with regard to convertible debt securities of a broker or dealer which are carried in the capital, proprietary, and other accounts. In the case of open contractual commitments, which include firm commitment underwritings, the proposed rule would provide (in subdivision (c)(2)(V) of the rule) that the deductions from net worth in respect of convertible debt securities which are the subject of such commitments would be similar to the deductions applicable to convertible debt securities carried in the capital, proprietary, or other accounts of a broker or dealer.[2] However, the Commission will continue to study this matter and would welcome comments on whether the deductions should be different in the case of firm commitment underwritings of such securities.

Commission Action: I. In § 240.15c3-1 of Chapter II of Title 17 of the Code of Federal Regulations, subdivision (iii)(c) of subparagraph (2) of paragraph (c) will be redesignated as subdivision (iii)(d) and a new subdivision (iii)(c) will be adopted reading as set forth below.

II. In § 240.15c3-1 of Chapter II of Title 17 of the Code of Federal Regulations, subdivision (v) of subparagraph (2) of paragraph (c) will be amended to read as set forth below.

The text of the proposed changes reads as follows:

§ 240.15c3-1 Definitions.

* * * * *

(c) * * *

(2) * * *

(iii) * * *

(c) In the case of a debt security not in default which has a fixed rate of interest and a fixed maturity date and which is convertible into an equity security, the deduction shall be as follows: If the market value is 90 percent or more of the face value, the deduction shall be 30 percent of the market value, but in no event shall such deduction reduce the value of such security below 80 percent of face value for the purposes of this rule; if the market value is below the face value by more than 10 percent but not more than 30 percent, the deduction shall be a percentage of market value equal to the percentage by which the market value is below the face value; if the market value is 30 percent or more below the face value, the deduction shall be 30 percent.

(d) On all other securities, the deduction shall be 30 percent.

* * * * *

(v) Deducting, in the case of a broker or dealer who has open contractual commitments, the respective deductions as specified in subdivision (iii) of this subparagraph, from the value (which shall be the market value whenever there is a market) of each net long and each net short position contemplated by any existing contractual commitment in the capital, proprietary and other accounts

[1] See Report of Special Study of Securities Markets, Part 4, p. 24 (1963).

[2] Such treatment would produce results which are more nearly in line with the effect of the requirements of certain national securities exchanges respecting convertible debt securities, and would thus tend to correct existing inequities in connection with firm commitment underwritings. Members of specified national securities exchanges are exempted from the provisions of the net capital rule by subparagraph (b)(2) of Rule 15c3-1 (17 CFR 240.15c3-1).

of the broker or dealer and, if such broker or dealer is a partnership, in accounts of partners, as hereinafter defined: *Provided, however,* That this deduction shall not apply to exempted securities, and that the deduction with to any individual commitment shall be reduced by the unrealized profit, in an amount not greater than the deduction provided for in subdivision (iii) of this subparagraph (or increased by the unrealized loss), in such commitment; and that in no event shall an unrealized profit on any closed transactions operate to increase net capital.

* * * * *

(Secs. 15(c)(3) and 23(a), 52 Stat. 1075, 48 Stat. 901, as amended, sec. 203(a), 49 Stat. 704, sec. 8, 49 Stat. 1379, 15 U.S.C. 78o and 78w)

All interested persons are invited to submit their views and comments on the above proposal in writing to the Securities and Exchange Commission, Washington, D.C. 20549, on or before February 2, 1968. Except where it is requested that such communication not be disclosed they will be considered available for public inspection.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

DECEMBER 28, 1967.

[F.R. Doc. 68-147; Filed, Jan. 4, 1968; 8:47 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Bureau of Customs

[Antidumping—ATS 643.3–v]

COD FILLETS FROM EASTERN CANADIAN PROVINCES

Withholding of Appraisement Notice

DECEMBER 29, 1967.

Pursuant to section 201(b) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(b)), notice is hereby given that there are reasonable grounds to believe or suspect, from information presented to me, that the purchase price and the exporter's sales price of cod fillets, frozen, from Eastern Canadian provinces is less than the foreign market value as defined, respectively, in sections 203, 204, and 205, of that Act, as amended (19 U.S.C. 162, 163, and 164).

Customs officers are being directed to withhold appraisement of cod fillets, frozen, imported from Eastern Canadian provinces in accordance with the provisions of § 14.9(a) of the Customs Regulations (19 CFR 14.9(a)).

The information alleging that the merchandise under consideration was being sold at less than fair value within the meaning of the Antidumping Act was received in proper form on June 23, 1967. This information was the subject of an "Antidumping Proceeding Notice" which was published on page 12626 of the FEDERAL REGISTER of August 31, 1967, pursuant to § 14.6(d), Customs Regulations (19 CFR 14.6(d)).

This notice is published pursuant to § 14.6(e) of the Customs Regulations (19 CFR 14.6(e)).

[SEAL] LESTER D. JOHNSON,
Commissioner of Customs.

[F.R. Doc. 68–187; Filed, Jan. 4, 1968; 8:49 a.m.]

Internal Revenue Service

ELMER BENJAMIN JOYCE

Notice of Granting of Relief of Federal Firearms Act

Notice is hereby given that Elmer Benjamin Joyce, 336 Scott Street, Covington, Ky., has applied, pursuant to section 10 of the Federal Firearms Act (15 U.S.C. 910), for relief from the disabilities under the Act incurred by reason of his conviction, December 4, 1950, in the U.S. District Court for the Southern District of Ohio, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Elmer Benjamin Joyce, because of such conviction, to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearms or ammunition or to receive firearms or ammunition so shipped, and he would be prevented from obtaining a license under the Act, as a firearms dealer or firearms manufacturer. Notice is further given that I have considered Elmer Benjamin Joyce's application and have found:

(1) The conviction was made upon a charge which did not involve the use of a firearm or other weapon, or of a violation of the Federal Firearms Act or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances surrounding the aforementioned conviction and Elmer Benjamin Joyce's record and reputation are such that the granting to Elmer Benjamin Joyce of relief from disabilities under the Federal Firearms Act incurred by reason of his conviction would not be contrary to the public interest:

It is ordered, Pursuant to the authority vested in the Secretary of the Treasury by section 10 of the Federal Firearms Act (15 U.S.C. 910) and delegated to me by Treasury Decision 6897 (26 CFR 177.31 (c)), that Elmer Benjamin Joyce be, and he hereby is, granted relief from any and all disabilities under the Federal Firearms Act, as amended, incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 28th day of December 1967.

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

[F.R. Doc. 68–188; Filed, Jan. 4, 1968; 8:49 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

AREA DIRECTOR, SACRAMENTO, CALIF.

Delegation of Authority To Dedicate Certain Streets, Alleys, and Strips of Land on Agua Caliente Indian Reservation

DECEMBER 27, 1967.

The Area Director, Sacramento, Calif., is authorized to perform the functions and exercise the authority vested in the Secretary of the Interior by the Act of August 11, 1967 (P.L. 90–64, 81 Stat. 166), which provides that the Secretary, with the consent of the Agua Caliente Band of Mission Indians and within 1 year after August 11, 1967, may dedicate to the public for street purposes any of the streets, alleys, or strips of land in the West half of sec. 14, T. 4 S., R. 4 E., San Bernardino meridian, city of Palm Springs, Riverside County, Calif.

ROBERT L. BENNETT,
Commissioner.

[F.R. Doc. 68–139; Filed, Jan. 4, 1968; 8:46 a.m.]

SUPERINTENDENT, GREAT LAKES AGENCY

Delegation of Authority To Prepare Brotherton Roll

DECEMBER 28, 1967.

The Superintendent, Great Lakes Agency, Bureau of Indian Affairs, Ashland, Wis., is authorized to perform the functions and exercise the authority of the Minneapolis Area Director under 25 CFR 41.8 which authorizes the Area Director to process applications filed by persons seeking to establish eligibility for enrollment with the Brotherton Indians of Wisconsin and to prepare a roll of persons found entitled to enrollment, pursuant to the Act of September 27, 1967 (P.L. 90–93; 81 Stat. 229).

J. L. NORWOOD,
Acting Commissioner.

[F.R. Doc. 68–140; Filed, Jan. 4, 1968; 8:46 a.m.]

SUPERINTENDENT, WESTERN WASHINGTON AGENCY

Delegation of Authority To Prepare Certain Rolls of Indians

DECEMBER 28, 1967.

The Superintendent, Western Washington Agency, Bureau of Indian Affairs, Everett, Wash., is authorized to perform the functions and exercise the authority of the Portland Area Director under 25 CFR 41.8 which authorizes the Area Director to process applications filed by persons seeking to establish eligibility for enrollment on rolls of Indian tribes compiled by the Secretary of the Interior when legislation authorizing the disposition of the funds specifically states that the enrollment applications are to be filed with the Western Washington Agency Superintendent.

J. L. NORWOOD,
Acting Commissioner.

[F.R. Doc. 68–141; Filed, Jan. 4, 1968; 8:46 a.m.]

Bureau of Land Management

[A 1351]

ARIZONA

Notice of Classification of Public Lands for Multiple Use Management

1. Pursuant to the Act of September 19, 1964 (43 U.S.C. 1411–18), and the regulations in 43 CFR Parts 2410 and 2411, the public lands described below, within the West Hurricane-Virgin Resource Area, are hereby classified for multiple use management, together with any lands therein that may become public lands in the future. Publication of this notice has the effect of segregating all of the described lands from appropriation under

the agricultural land laws (43 U.S.C. Parts 7 and 9, 25 U.S.C. 334), and from sale under section 2455 of the Revised Statutes (43 U.S.C. 1171). It also has the effect of further segregating the 8,219 acres of land described in paragraph 3b from private exchange (43 U.S.C. 315g (b)), State exchange (43 U.S.C. 315g(c)), and from the operation of the mining laws. As used in this order, the term "public lands" means any lands (1) withdrawn or reserved by Executive Order No. 6910 of November 26, 1934, as amended, or (2) within a grazing district established pursuant to the Act of June 28, 1934 (48 Stat. 1269) as amended, which are not otherwise withdrawn or reserved for a Federal use or purpose.

2. The public lands classified in this notice are shown on maps on file and available for inspection in the Arizona Strip District Office, Bureau of Land Management, St. George, Utah, and Land Office, Bureau of Land Management, Federal Building, Phoenix, Ariz. The Notice of Proposed Classification was published in 32 F.R. 14065 and 14066, of October 10, 1967, and a public hearing on the proposed classification was held on November 7, 1967, at the Community Room of the County Courthouse in St. George, Utah. Nearly all of the comments and information received support this classification, and no changes have been made.

3. The lands involved are in Mohave County and are described as follows:

GILA AND SALT RIVER MERIDIAN, ARIZONA

a. As provided in paragraph 1 above, the following lands are segregated from entry under the agricultural land laws and from public sale under R.S. 2455.

T. 33 N., R. 8 W.,
Sec. 5, west of the irregular boundary of Grand Canyon National Monument;
Secs. 6 and 7;
Secs. 8 and 17, west of the irregular boundary of Grand Canyon National Monument;
Sec. 18.

T. 33 N., R. 9 W.,
Secs. 1 to 18, inclusive.

T. 33 N., R. 10 W.,
Secs. 1 to 18, inclusive.

T. 33 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 33 N., R. 12 W.,
Secs. 4 to 9, inclusive, secs. 16 to 21, inclusive and secs. 28 to 33, inclusive.

T. 33 N., R. 13 W.,
Secs. 1 to 36, inclusive.

T. 33 N., R. 14 W.,
Secs. 1 to 36, inclusive.

T. 33 N., R. 15 W.,
Secs. 1 to 3, inclusive, secs. 10 to 15, inclusive, secs. 22 to 27, inclusive, and secs. 34 to 36, inclusive.

T. 34 N., R. 8 W.,
Sec. 19, W½;
Sec. 29, west of the irregular boundary of Grand Canyon National Monument;
Secs. 30 to 31;
Sec. 32, west of the irregular boundary of Grand Canyon National Monument.

T. 34 N., R. 9 W.,
Secs. 5 to 8, inclusive;
Sec. 14, NW¼ and S½;
Secs. 15 to 36, inclusive.

T. 34 N., R. 10 W.,
Secs. 4 to 9, inclusive;
Sec. 10, S½;
Secs. 11 to 36, inclusive.

T. 34 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 34 N., R. 12 W.,
Secs. 1 to 36, inclusive.

T. 34 N., R. 13 W.,
Secs. 1 to 3, inclusive;
Sec. 4, lots 1 to 4, inclusive, S½NE¼, SE¼NW¼, E½SW¼, and SE¼;
Sec. 5, W½ and SW¼SE¼;
Sec. 8, W½E½, W½, and SE¼SE¼;
Sec. 9, NE¼, E½NW¼, and SE¼;
Secs. 10 to 20, inclusive;
Sec. 21, S½NW¼, SW¼, W½SE¼, and SE¼SE¼;
Secs. 22 to 36, inclusive.

T. 34 N., R. 14 W.,
Secs. 1 to 36, inclusive.

T. 34 N., R. 15 W.,
Secs. 1 to 36, inclusive.

T. 34 N., R. 16 W.,
Secs. 1 to 36, inclusive.

T. 35 N., R. 9 W.,
Secs. 29 to 32, inclusive.

T. 35 N., R. 10 W.,
Sec. 19;
Sec. 25, SE¼;
Sec. 30, W½;
Sec. 31.

T. 35 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 35 N., R. 12 W.,
Secs. 1 to 32, inclusive;
Sec. 33, S½;
Secs. 34 to 36, inclusive.

T. 35 N., R. 13 W.,
Secs. 1 to 28, inclusive;
Sec. 29, N½, NW¼SW¼, and SE¼;
Sec. 30, NE¼, W½SW¼, SE¼SW¼, and SW¼SE¼;
Secs. 31 to 36, inclusive.

T. 35 N., R. 14 W.,
Secs. 1 to 36, inclusive.

T. 35 N., R. 15 W.,
Secs. 1 to 36, inclusive.

T. 35 N., R. 16 W.,
Secs. 1 to 36, inclusive.

T. 36 N., R. 10 W.,
Secs. 6, 7, 18, 19, and 30.

T. 36 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 36 N., R. 12 W.,
Secs. 1 to 36, inclusive.

T. 36 N., R. 13 W.,
Secs. 1 to 36, inclusive.

T. 36 N., R. 14 W.,
Secs. 1 to 33, inclusive;
Sec. 34, W½ and SE¼;
Sec. 35, S½;
Sec. 36.

T. 36 N., R. 15 W.,
Secs. 1 to 36, inclusive.

T. 36 N., R. 16 W.,
Secs. 1 to 36, inclusive.

T. 37 N., R. 9 W.,
Secs. 3 to 9, inclusive, and secs. 16 to 20, inclusive.

T. 37 N., R. 10 W.,
Secs. 1 to 36, inclusive.

T. 37 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 37 N., R. 12 W.,
Secs. 1 to 36, inclusive.

T. 37 N., R. 13 W.,
Secs. 1 to 36, inclusive.

T. 37 N., R. 14 W.,
Secs. 1 to 36, inclusive.

T. 37 N., R. 15 W.,
Secs. 1 to 36, inclusive.

T. 37 N., R. 16 W.,
Secs. 1 to 36, inclusive.

T. 38 N., R. 9 W.,
Secs. 3 to 9, inclusive, secs. 16 to 21, inclusive, and secs. 25 to 34, inclusive.

T. 38 N., R. 10 W.,
Secs. 1 to 36, inclusive.

T. 38 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 38 N., R. 12 W.,
Secs. 1 to 36, inclusive.

T. 38 N., R. 13 W.,
Secs. 1 to 36, inclusive.

T. 38 N., R. 14 W.,
Secs. 1 to 36, inclusive.

T. 38 N., R. 15 W.,
Secs. 1 to 36, inclusive.

T. 38 N., R. 16 W.,
Secs. 1 to 36, inclusive.

T. 39 N., R. 9 W.,
Sec. 19;
Secs. 30 to 32, inclusive.

T. 39 N., R. 10 W.,
Secs. 1 to 36, inclusive.

T. 39 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 39 N., R. 12 W.,
Secs. 1 to 36, inclusive.

T. 39 N., R. 13 W.,
Secs. 1 to 6, inclusive;
Sec. 7, lots 3 and 4, E½ and E½W½;
Secs. 8 to 17, inclusive;
Sec. 18, lots 1 to 4, inclusive, E½ and E½W½;
Secs. 19 to 36, inclusive.

T. 39 N., R. 14 W.,
Sec. 1, N½, NW¼SW¼ and W½NE¼SW¼;
Sec. 2, N½, SW¼, and N½SE¼;
Secs. 3 to 6, inclusive;
Sec. 7, E½NE¼, E½NW¼NE¼, NW¼NW¼NE¼, SW¼SW¼NE¼, NE¼NE¼NW¼, W½NE¼NW¼, W½NW¼, W½SE¼NW¼, and SE¼SE¼NW¼;
Secs. 8 to 10, inclusive;
Sec. 11, W½ and SE¼;
Sec. 12, S½S½;
Secs. 13 to 15, inclusive;
Sec. 16, E½E½, NW¼NE¼, NE¼NW¼, and W½W½;
Secs. 17 to 20, inclusive;
Sec. 21, NE¼NE¼, SW¼NE¼, W½NW¼, SE¼NW¼, and S½;
Secs. 22 to 36, inclusive.

T. 39 N., R. 15 W.,
Secs. 1 to 24, inclusive;
Sec. 25, E½NE¼, N½NW¼NE¼, S½SW¼NE¼, NW¼, and S½;
Secs. 26 to 36, inclusive.

T. 39 N., R. 16 W.,
Secs. 1 to 5, inclusive, secs. 8 to 17, inclusive, secs. 20 to 29, inclusive, and secs. 32 to 36, inclusive.

T. 40 N., R. 10 W.,
Secs. 4 to 9, inclusive, secs. 15 to 22, inclusive, and secs. 24 to 35, inclusive.

T. 40 N., R. 11 W.,
Secs. 1 to 36, inclusive.

T. 40 N., R. 12 W.,
Secs. 1 to 36, inclusive.

T. 40 N., R. 13 W.,
Secs. 1 to 30, inclusive;
Sec. 31, lots 1 and 2, NE¼, E½W½, and SE¼;
Secs. 32 to 36, inclusive.

T. 40 N., R. 14 W.,
Secs. 1 to 35, inclusive;
Sec. 36, N½NE¼, SW¼NE¼, W½, NW¼NW¼SE¼, and S½SE¼.

T. 40 N., R. 15 W.,
Secs. 1 to 3, inclusive;
Sec. 4, lots 1 and 3, SE¼NW¼, NE¼SW¼, and S½SE¼;
Secs. 5 to 7, inclusive;
Sec. 8, NW¼NE¼, W½, and S½SE¼;
Secs. 9 to 36, inclusive.

T. 40 N., R. 16 W.,
Secs. 1 to 5, inclusive, and secs. 8 to 36, inclusive.

T. 41 N., R. 10 W.,
Secs. 1 to 11, inclusive, secs. 14 to 22, inclusive, and secs. 27 to 33, inclusive.

T. 41 N., R. 11 W.,
Secs. 1 and 2;
Sec. 3, lots 1 to 4, inclusive, S½N½, and S½;
Secs. 4 and 5;
Sec. 6, lots 1 to 8, inclusive S½N½, and S½;
Sec. 7, lots 1 to 4, inclusive, NE¼ and W½SE¼;
Secs. 8 to 36, inclusive.
T. 41 N., R. 12 W.,
Secs. 1 to 4, inclusive;
Sec. 5, lots 3 and 4, E½ and S½NW¼;
Sec. 6, lots 1 to 5, inclusive, S½NE¼ and SE¼NW¼;
Sec. 7, lots 3 and 4, E½SW¼ and SE¼;
Sec. 8, NE¼ and S½;
Secs. 9 to 36, inclusive.
T. 41 N., R. 13 W.,
Sec. 1, lots 1 to 4, inclusive, S½N½ and SW¼;
Sec. 3;
Sec. 4, N½SW¼ and SE¼;
Secs. 5 to 8, inclusive;
Sec. 9, N½ and SE¼;
Secs. 10 and 11;
Sec. 12, NW¼ and S½;
Secs. 13 to 17, inclusive;
Sec. 18, NE¼ and S½;
Secs. 19 to 36, inclusive.
T. 41 N., R. 14 W.,
Secs. 1 to 11, inclusive;
Sec. 12;
Sec. 13, N½ and SW¼;
Secs. 14 to 19, inclusive;
Sec. 20, N½SW¼ and SE¼;
Sec. 21;
Sec. 22, N½;
Sec. 23, E½ and NW¼;
Secs. 24 to 26, inclusive;
Sec. 28, NW¼;
Sec. 29;
Sec. 30, lot 3, N½, E½SW¼, and SE¼;
Sec. 31, N½, SW¼, and W½SE¼;
Sec. 33, SE¼;
Sec. 34, S½N½ and S½;
Secs. 35 and 36.
T. 41 N., R. 15 W.,
Secs. 1 to 17, inclusive, and secs. 20 to 24, inclusive;
Sec. 25, N½, SW¼, NE¼SE¼, and W½SE¼;
Secs. 26 to 28, inclusive, and secs. 31 to 34, inclusive;
Sec. 35, N½ and SE¼.
T. 41 N., R. 16 W.,
Secs. 1 to 5, inclusive, and secs. 8 to 11, inclusive;
Sec. 13, W½;
Secs. 14 to 17, inclusive, secs. 20 to 29, inclusive, and secs. 32 to 36, inclusive.
T. 42 N., R. 10 W.,
Secs. 1 to 36, inclusive.
T. 42 N., R. 11 W.,
Sec. 31, lots 1 and 2 and SE¼;
Secs. 32 to 36, inclusive.
T. 42 N., R. 12 W.,
Sec. 31, lots 1 to 6, inclusive, E½SW¼, and SE¼;
Secs. 32 to 36, inclusive.
T. 42 N., R. 13 W.,
Secs. 31 to 36, inclusive.
T. 42 N., R. 14 W.,
Secs. 31 to 36, inclusive.
T. 42 N., R. 15 W.,
Secs. 31 to 36, inclusive.
T. 42 N., R. 16 W.,
Secs. 32 to 36, inclusive.

The lands described aggregate approximately 1,299,448 acres of public lands.

b. As provided in paragraph 1 above, the following lands are segregated from the agricultural land laws, from public sale under R.S. 2455, and are further segregated from private and State exchange and from entry under the mining laws.

T. 34 N., R. 13 W.,
Sec. 4, SW¼NW¼ and W½SW¼;
Sec. 5, lots 1 and 2, S½NE¼, N½SE¼, and SE¼SE¼;
Sec. 9, W½NW¼ and SW¼;
Sec. 21, N½N½, S½NE¼, and NE¼SE¼.
T. 35 N., R. 12 W.,
Sec. 33, N½.
T. 35 N., R. 13 W.,
Sec. 29, W½SW¼ and SE¼SW¼;
Sec. 30, NW¼, NE¼SW¼, N½SE¼, and SE¼SE¼.
T. 36 N., R. 14 W.,
Sec. 34, NE¼;
Sec. 35, N½.
T. 39 N., R. 13 W.,
Sec. 7, lot 2.
T. 39 N., R. 14 W.,
Sec. 1, E½NE¼SW¼, S½S½, and NW¼SE¼;
Sec. 2, S½SE¼;
Sec. 7, SW¼NW¼NE¼, NW¼SW¼NE¼, SE¼NE¼NW¼, and NE¼SE¼NW¼;
Sec. 11, NE¼;
Sec. 12, N½ and N½S½;
Sec. 16, SW¼NE¼, SE¼NW¼, E½SW¼, and W½SE¼;
Sec. 21, NW¼NE¼, SE¼NE¼, and NE¼NW¼.
T. 39 N., R. 15 W.,
Sec. 25, S½NW¼NE¼ and N½SW¼NE¼.
T. 40 N., R. 13 W.,
Sec. 31, lots 3 and 4.
T. 40 N., R. 14 W.,
Sec. 36, NE¼NE¼SE¼ and SE¼SE¼NE¼.
T. 41 N., R. 12 W.,
Sec. 5, SW¼;
Sec. 6, lots 6 and 7, E½SW¼ and SE¼;
Sec. 7, lots 1 and 2, NE¼ and E½NW¼;
Sec. 8, NW¼.
T. 41 N., R. 13 W.,
Sec. 1, SE¼;
Sec. 9, SW¼;
Sec. 12, NE¼.
T. 41 N., R. 14 W.,
Sec. 13, SE¼;
Sec. 22, S½;
Sec. 23, SW¼;
Sec. 27;
Sec. 28, NE¼ and S½;
Sec. 31, E½SE¼;
Sec. 32;
Sec. 33, N½ and SW¼;
Sec. 34, N½N½.

The lands described aggregate approximately 8,219 acres of public lands.

The lands in the two sections above aggregate approximately 1,307,667 acres of public land.

4. For a period of 30 days from date of publication in the FEDERAL REGISTER, this classification shall be subject to the exercise of administrative review and modification by the Secretary of the Interior as provided for in 43 CFR section 2411.2c.

FRED J. WEILER,
State Director.

DECEMBER 28, 1967.

[F.R. Doc. 68-142; Filed, Jan. 4, 1968; 8:46 a.m.]

[S 579, 581, 582]

CALIFORNIA

Notice of Classification of Public Lands for Multiple-Use Management

DECEMBER 27, 1967.

1. Pursuant to the Act of September 19, 1964 (78 Stat. 986; 43 U.S.C. 1411-18) and to the regulations in 43 CFR Parts 2410 and 2411, the public lands in paragraph 3 are classified for multiple-use management, together with any lands therein that may become public lands in the future. As used herein, "public lands" means any lands withdrawn or reserved by Executive Order No. 6910 of November 26, 1934, as amended, or within a grazing district established pursuant to the Act of June 28, 1934 (48 Stat. 1269), as amended, which are not otherwise withdrawn or reserved for a Federal use or purpose.

Publication of this notice has the effect of segregating (a) all public lands described below from appropriation only under the agricultural land laws (43 U.S.C. Chs. 7 and 9; 25 U.S.C. sec. 334) and from sale under section 2455 of the Revised Statutes (43 U.S.C. 1171) and (b) the lands described in paragraph 4 from appropriation under the mining laws (30 U.S.C. Ch. 2). The lands shall remain open to all other applicable forms of appropriation.

2. Comments were received following publication of the notice of proposed classification in the FEDERAL REGISTER (32 F.R. 14405) on October 18, 1967, and at the public hearing held at Redding, Calif. on October 25, 1967. All comments were favorable and no changes were deemed necessary.

3. The public lands are located within Shasta and small portions of Modoc, Siskiyou, and Tehama Counties and include the Clear Creek, Cinder Cone, and Shasta Planning Units. For the purpose of this classification, the lands within each planning unit have been subdivided into blocks, each of which have been analyzed in detail and described in documents and on maps available for inspection at the Redding District Office, Bureau of Land Management, 2460 Athens Avenue, Redding, Calif. 96001 and in the Sacramento Land Office, 650 Capitol Mall, Sacramento, Calif. 95814.

The overall descriptions of the areas are as follows:

CLEAR CREEK PLANNING UNIT (S 581)

SHASTA AND TEHAMA COUNTIES, MOUNT DIABLO MERIDIAN, CALIFORNIA

Block 1

All public lands in:

T. 30 N., R. 7 W.,
Secs. 6, 7, and 18.
T. 29 N., R. 8 W.,
Sec. 6.
T. 30 N., R. 8 W.,
Secs. 1 to 22, inclusive;
Secs. 28 to 32, inclusive.
T. 31 N., R. 8 W.,
Secs. 9, 10, 14, 15, 16;
Secs. 20 to 23, inclusive;
Secs. 26 to 35, inclusive.
T. 28 N., R. 9 W.,
Secs. 2 to 6, inclusive.
T. 29 N., R. 9 W.,
Secs. 1 to 4, inclusive;
Secs. 9 to 11, inclusive;
Secs. 14 to 16, inclusive;
Secs. 19 to 22, inclusive;
Secs. 27 to 34, inclusive.
T. 30 N., R. 9 W.,
Secs. 1, 2, 3;
Secs. 9 to 17, inclusive;
Secs. 20 to 29, inclusive;
Secs. 32 to 36, inclusive.
T. 31 N., R. 9 W.,
Secs. 25, 26, 35, and 36.

Block II

All public lands in Shasta County, in:

T. 32 N., R. 6 W.,
Secs. 2, 3, 5, 6, 11, and 14.
T. 33 N., R. 6 W.,
Secs. 5 to 8, inclusive;
Secs. 17 to 23, inclusive;
Secs. 26 to 35, inclusive.
T. 34 N., R. 6 W.,
Secs. 4 to 8, inclusive;
Secs. 17 to 22, inclusive;
Secs. 27 to 34, inclusive.
T. 32 N., R. 7 W.,
Sec. 1;
Secs. 5 to 8, inclusive;
Sec. 18.
T. 33 N., R. 7 W.,
Secs. 1 to 33, inclusive;
Secs. 35 and 36.
T. 34 N., R. 7 W.,
Secs. 1 and 2.
T. 32 N., R. 8 W.,
Secs 1 and 2;
Secs. 11 to 14, inclusive.
T. 33 N., R. 8 W.,
Secs. 1, 12, 13;
Secs. 24 to 27, inclusive;
Secs. 35 and 36.

Block III

All public lands in:

T. 30 N., R. 5 W.,
Sec. 6.
T. 31 N., R. 5 W.,
Sec. 5, lots 6, 31 to 34, inclusive, 36 to 43, inclusive, 63, 64, 66 to 74, inclusive, and 76 to 80, inclusive;
Sec. 6, lot 1;
Sec. 7;
Sec. 8, E½E½NE¼, NW¼;
Secs. 9 and 10;
Secs. 17, 21, 28, 29, 31, and 32.
T. 32 N., R. 5 W.,
Secs. 1, 3, and 4;
Sec. 8, E½ lot 11, lots 12 and 15;
Sec. 10, E½SW¼SW¼, lot 10;
Sec. 15, lot 2, NW¼SW¼NE¼, except portion of MS 5197, E½NW¼, except portion of MS 4972, NE¼SW¼, S½NW¼SW¼;
Sec. 28;
Sec. 29, lots 8 and 9;
Secs. 30 and 31;
Sec. 32, lot 212.
T. 33 N., R. 5 W.,
Secs. 19, 20, 22, 27, 28, 32, and 33;
Sec. 34, E½NE¼, W½.
T. 31 N., R. 6 W.,
Secs. 7, 11, 12, 14;
Secs 16 to 20, inclusive;
Secs. 22 and 23;
Sec. 24, NE¼SE¼, N½SE¼SE¼;
Sec. 36.
T. 32 N., R. 6 W.,
Sec. 24, lots 67 to 70, inclusive, lots 91 to 93, inclusive.
T. 33 N., R. 6 W.,
Sec. 15.
T. 31 N., R. 7 W.,
Sec 12.

CINDER CONE PLANNING UNIT (S 579)

SHASTA, SISKIYOU, AND MODOC COUNTIES, MOUNT DIABLO MERIDIAN, CALIFORNIA

Block I

All public lands in:

T. 35 N., R. 4 E.,
Secs. 4 to 9, inclusive;
Secs 17, 20, 29, and 32.
T. 36 N., R. 4 E.,
Secs. 7 to 36, inclusive.
T. 37 N., R. 4 E.,
Secs. 22, 23, 26, 27, 28, 33, 34, and 35.
T. 35 N., R. 5 E.,
Secs. 9, 10, 15, 16, 21, 22, and 27.
T. 36 N., R. 5 E.,
Secs. 1 to 36, inclusive.
T. 37 N., R. 5 E.,
Secs. 25 to 28, inclusive;
Secs. 32 to 36, inclusive.

Block II

All public lands in:

T. 38 N., R. 4 E.,
Secs. 1 and 2;
Secs. 11 to 17, inclusive;
Secs. 20 to 24, inclusive;
Sec. 28.
T. 39 N., R. 4 E.,
Secs. 13, 24, 25, 26, 35, and 36.
T. 38 N., R. 5 E.,
Secs. 4 to 9, inclusive;
Secs. 16 to 22, inclusive;
Sec. 27.
T. 39 N., R. 5 E.,
Sec. 7;
Secs. 15 to 22, inclusive;
Secs. 27 to 34, inclusive.

SHASTA PLANNING UNIT (S 582)

SHASTA COUNTY, MOUNT DIABLO MERIDIAN, CALIFORNIA

All public lands in:

T. 33 N., R. 2 E.,
Secs. 3, 8, 9, 10, and 17.
T. 30 N., R. 1 W.,
Sec. 12, NE¼, SE¼NW¼, S½.
T. 31 N., R. 1 W.,
Secs. 14, 20, and 22.
T. 33 N., R. 1 W.,
Sec. 8.
T. 34 N., R. 1 W.,
Sec. 30.
T. 35 N., R. 1 W.,
Sec. 14, NE¼NW¼.
T. 31 N., R. 2 W.,
Sec. 22.
T. 33 N., R. 2 W.,
Secs. 22 and 28.
T. 33 N., R. 3 W.,
Secs. 26 and 32.

The public lands being classified aggregate approximately 76,032.42 acres.

4. As provided in paragraph 1 above, the following lands are further segregated from appropriation under the mining laws (totaling approximately 1,220 acres):

MOUNT DIABLO MERIDIAN

T. 36 N., R. 4 E.,
Sec. 10, lot 3.
T. 30 N., R. 1 W.,
Sec. 12, NE¼, SE¼NW¼, S½.
T. 33 N., R. 6 W.,
Sec. 32, all.

5. For a period of 30 days from the date of publication of this notice in the FEDERAL REGISTER, this classification shall be subject to the exercise of administrative review and modification by the Secretary of the Interior as provided for in 43 CFR 2411.2(c).

J. R. PENNY,
State Director.

[F.R. Doc. 68-143; Filed, Jan. 4, 1968; 8:46 a.m.]

[Serial No. I-1960]

IDAHO

Notice of Proposed Withdrawal and Reservation of Lands

DECEMBER 27, 1967.

The Department of Agriculture has filed an application, Serial No. I-1960 for the withdrawal of the lands described below, from all forms of appropriation under the public land laws, including the mining laws but not the mineral leasing laws, subject to valid existing rights.

The applicant desires the land for public purposes as two recreation areas, and one airstrip on the Payette and Salmon National Forests.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, Room 334, Federal Building, 550 West Fort, Boise, Idaho 83702.

The authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's, and to reach agreement on the concurrent management of the lands and their resources.

He will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the Department of Agriculture.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant it, a public hearing will be held at a convenient time and place which will be announced.

The lands involved in the application are:

BOISE MERIDIAN, IDAHO

PAYETTE NATIONAL FOREST

Evergreen Campground

T. 18 N., R. 1 E.,
Sec. 18, E½SW¼ of lot 4 and E½W½SW¼ of lot 4.

Totaling 30 acres.

Warren Landing Field

T. 22 N., R. 6 E.,
Sec. 2, portion of N½SW¼, SE¼SW¼, and SW¼SE¼ more particularly described as: Beginning at a point on the north side of Warren Townsite which is 206.75 feet east of the quarter corner between secs. 2 and 11; thence N. 48°17' W., 2,778.4 feet; thence N. 41°43' E., 300 feet; thence S. 48°17' E., 3,114.8 feet to the north side of Warren Townsite; thence N. 90° W., 450.8 feet to the place of beginning.

Totaling 20.3 acres.

SALMON NATIONAL FOREST

SALZER BAR RECREATION AREA

T. 26 N., R. 20 E., unsurveyed,
Probable location in accordance with Idaho Protraction Diagram No. 30, sec. 35, E½E½; sec. 36, W½W½.

More particularly described as beginning at corner No. 1, which is identical to corner No. 1 Boulder and corner No. 2 Gambler claims MS 3467, a schist outcrop 18 inches above ground with an "x" chisled on top and 26 3467 chisled on the south face, from which U.S. Land Monument No. 3467 bears S. 44°18'10" E., 6,566.91 feet; thence from corner No. 1 by metes and bounds: S. 43°00'00" E., 544.22 feet, to corner No. 2; N. 23°25'55" W., 1,619.93 feet, to corner No. 3; N. 05°34'04" E., 1,847.96 feet, to corner No. 4; S. 67°36'52" E., 312.59 feet, to corner No. 5; S. 02°48'04" E., 1,563.83 feet, to corner No. 6; S. 21°04'01" E., 1,328.01 feet, to corner No. 1, the place of beginning.

Totaling 34.31 acres.

The areas described aggregate 84.61 acres in Adams, Idaho, and Lemhi Counties, Idaho.

ORVAL G. HADLEY,
Manager, Land Office.

[F.R. Doc. 68-144; Filed, Jan. 4, 1968; 8:46 a.m.]

[New Mexico 1582]

NEW MEXICO

Notice of Proposed Withdrawal and Reservation of Lands

DECEMBER 29, 1967.

The Corps of Engineers, Department of the Army, has filed application New Mexico 1582 for the withdrawal of lands described below, from all forms of appropriation including the mining and mineral leasing laws. The purpose of the withdrawal is to protect the underground water resources needed by military installations in nearby areas. Three hundred sixty (360) acres are under Forest Service jurisdiction and the balance of the area is administered by the Bureau of Land Management. It is proposed that these agencies retain their responsibilities for other uses including grazing administration, disposal of vegetative and mineral materials, recreation, wildlife, rights-of-way, and preservation of natural and scenic values.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, Chief, Division of Lands and Minerals Program Management and Land Office, Post Office Box 1449, Santa Fe, N. Mex. 87501.

The authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's, and to reach agreement on the concurrent management of the lands and their resources.

He will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the Corps of Engineers.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO

T. 17 S., R. 10 E.,
Sec. 29, NW¼, NE¼SW¼, and S½SW¼;
Sec. 30, SE¼SE¼;
Sec. 31, N½N½.
T. 18 S., R. 10 E.,
Sec. 5, lots 1, 2, 3, 4, and S½S½;
Sec. 8, N½, and SE¼SE¼;
Sec. 9, W½W½, and SE¼SW¼;
Sec. 16, W½NE¼, and SE¼;
Sec. 17, NE¼NE¼, S½NE¼, and N½SE¼;
Sec. 21, NE¼, N½NW¼, and NE¼SE¼;
Sec. 22, SW¼NW¼, and SW¼;
Sec. 26, W½SW¼, and SE¼SW¼;
Sec. 27, SW¼NE¼, W½, and SE¼;
Sec. 28, E½SE¼;
Sec. 33, E½NE¼;
Sec. 34, N½, and E½SE¼;
Sec. 35, SW¼NE¼, W½, and SE¼.
T. 19 S., R. 10 E.,
Sec. 2, NE¼ (unsurveyed);
Sec. 3, lot 1.

The areas described aggregate 4,259.61 acres.

HOWARD M. GROTBERG,
Acting Chief, Division of Lands and Minerals, Program Management and Land Office.

[F.R. Doc. 68-145; Filed, Jan. 4, 1968; 8:46 a.m.]

DEPARTMENT OF COMMERCE

National Bureau of Standards

NBS RADIO STATION WWV

Notice of Standard Frequency and Time Broadcasts

In accordance with NBS policy of giving notices regarding changes in NBS radio station broadcasts, notice is hereby given that on January 24, 1968, there will be a shut-down of NBS Radio Station WWV on all frequencies for the purpose of installing an emergency power unit. The outage will commence at 1400 GMT and will not exceed 4 hours. Service will be restored immediately upon completion of the modification.

Notice will also be given by voice announcements on WWV during the fourth minute after each hour, beginning at 0003 GMT on December 23, 1967, and continuing at hourly intervals until the time of interruption in service.

A. V. ASTIN,
Director.

DECEMBER 27, 1967.

[F.R. Doc. 68-185; Filed, Jan. 4, 1968; 8:49 a.m.]

Office of the Secretary

[Dept. Order 117-A; Amdt. 3]

MARITIME ADMINISTRATION

Maritime Subsidy Board

The following amendment to the order was issued by the Secretary of Commerce on December 21, 1967. This material further amends the material appearing at 31 F.R. 8087 of June 8, 1966.

Department Order 117-A of May 20, 1966, as amended, is hereby further amended as follows:

SEC. 2. *General.* .02 *Maritime Subsidy Board.* The Maritime Subsidy Board is continued within the Maritime Administration. The Board is composed of the Maritime Administrator, the Deputy Maritime Administrator and the General Counsel of the Maritime Administration. In the case of a vacancy in the Board or the absence or disability of one of its members, the Secretary of the Maritime Administration and Maritime Subsidy Board shall act as a member of the Maritime Subsidy Board. Each member of the Maritime Subsidy Board, while serving in that capacity, shall act pursuant to direct authority from the Secretary of Commerce and exercise judgment independently of authority otherwise delegated to the Maritime Administrator. The Maritime Administrator or the Acting Maritime Administrator serves as Chairman of the Maritime Subsidy Board. The concurring votes of two members shall be sufficient for the disposition of any matter which may come before the Board.

Effective date: December 21, 1967.

DAVID R. BALDWIN,
Assistant Secretary for Administration.

[F.R. Doc. 68-125; Filed, Jan. 4, 1968; 8:45 a.m.]

[Dept. Order 117-B]

MARITIME ADMINISTRATION

Organization and Functions

The following order was issued by the Secretary of Commerce on December 21, 1967. This material supersedes the material appearing at 31 F.R. 8246 of June 11, 1966; 32 F.R. 7297 of May 16, 1967; 32 F.R. 10387 of July 14, 1967; and 32 F.R. 13339 of September 21, 1967.

SECTION 1. *Purpose.* The purpose of this order is to prescribe the organization and assignment of functions within the Maritime Administration.

SEC. 2. *Organization structure.* The organization structure and line of authority of the Maritime Administration shall be as depicted in the attached organization chart.

SEC. 3. *Functions of the Maritime Administration.* Specific functions of the organizational components of the Maritime Administration are as follows:

a. The Office of the Maritime Administrator directs the activities of the Maritime Administration except with respect to those functions which are performed by the Maritime Subsidy Board. Within

this office are a Deputy Maritime Administrator and such other assistants as deemed necessary to give emphasis and direction to various programs. The Deputy Maritime Administrator performs such duties as the Maritime Administrator shall prescribe, together with the duties which he performs as a member of the Maritime Subsidy Board. In addition, he is the Acting Maritime Administrator during the absence or disability of the Maritime Administrator and, unless the Secretary of Commerce designates another person, during a vacancy in the office of the Maritime Administrator.

b. The Maritime Subsidy Board shall be responsible for and perform the following functions:

1. The functions with respect to making, amending, and terminating subsidy contracts, which shall be deemed to include, in the case of construction-differential subsidy, the contract for the construction, reconstruction or reconditioning of a vessel and the contract for the sale of the vessel to the subsidy applicant or the contract to pay a construction-differential subsidy and the cost of the national defense features, and, in the case of operating-differential subsidy, the contract with the subsidy applicant for the payment of the subsidy;

2. The functions with respect to: (a) Conducting hearings and making determinations antecedent to making, amending, and terminating subsidy contracts, under the provisions of Titles V, VI, and VIII, and sections 301 (except investigations, hearings and determinations, including changes in determinations, with respect to minimum manning scales, minimum wage scales and minimum working conditions), 708, 805(a) and 805(f) of the Merchant Marine Act, 1936, as amended (the Act), (b) making readjustments in determinations as to operating cost differentials under section 606 of the Act, and (c) the approval of the sale, assignment, or transfer of any operating subsidy contract under section 608 of the Act;

3. The functions with respect to investigating and determining (a) the relative cost of construction of comparable vessels in the United States and foreign countries, (b) the relative cost of operating vessels under the registry of the United States and under foreign registry, and (c) the extent and character of aids and subsidies granted by foreign governments to their merchant marines, under the provisions of subsections (c), (d), and (e) of section 211 of the Act;

4. So much of the functions specified in section 12 of the Shipping Act, 1916, as amended, as the same relate to the functions of the Board under subparagraphs 1. through 3. of this paragraph; and

5. So much of the functions with respect to adopting rules and regulations, subpoenaing witnesses, administering oaths, taking evidence, and requiring the production of books, papers, and documents, under sections 204 and 214 of the Act, as relate to the functions of the Board.

c. The Executive Staffs consist of the Secretary of the Maritime Administration who also serves as Secretary of the Maritime Subsidy Board, hearing examiners, and officials concerned with investigation, security, and intelligence functions, and other special services for the Office of the Maritime Administrator and the Maritime Subsidy Board.

d. The Office of the Assistant Administrator for Administration:

The Assistant Administrator for Administration shall be the principal assistant and adviser to the Maritime Administrator on administrative and financial management matters. Within his immediate office are personnel responsible for the administration of the equal opportunity program. He shall direct the activities of the following organizational units:

1. The Office of Administrative Services shall plan and administer programs for the procurement and disposal of personal property, other than ships; provide contracting services; conduct domestic freight traffic activities; settle loss or damage claims arising from shipments on Government bills of lading; secure allocations of the production capacity of private plants for the manufacture of components and materials required in the event of mobilization; and provide graphics, travel, and office services, including space management, communications, mail, central files, library, duplicating, and administrative property management services.

2. The Office of Budget shall formulate, recommend, and interpret budgetary policies and procedures; collaborate with operating officials in the development of fiscal plans and budget estimates; develop and present budget requests and justifications; allocate and maintain budgetary control of funds available; and review status of funds and program performance in relation to the Administration's fiscal plans.

3. The Office of Data Systems shall provide data processing services, including conduct of feasibility studies, development of systems and programs for the application of computer techniques, and operation of the electronic data processing and auxiliary equipment.

4. The Office of Finance shall render financial advice and opinions, develop and maintain financial systems of the Administration, perform accounting functions, including maintenance of general accounts and related fiscal records, preparation of financial statements and reports, issuance of invoices, audit and certification of vouchers for payment; prescribe a uniform system of accounts for subsidized operators, agents, charterers, and other contractors; administer a program of external audits of contractors' accounts to determine compliance with applicable laws, regulations and contract provisions concerning costs and profits; maintain control records of statutory and contractual reserve funds; analyze financial statements and other data submitted by contractors to determine financial qualifications and limitations; take necessary action to effect collection of amounts due; administer the marine and marine war risk insurance programs; and negotiate, settle, or recommend settlement of, marine and war risk insurance claims.

5. The Office of Management and Organization shall review and evaluate the operating programs of the Administration to determine their effectiveness in accomplishing established objectives and goals, and recommend improvements, including more productive utilization of resources; conduct manpower surveys to determine staffing requirements for all components of the Administration; conduct surveys and studies to improve management practices, organization structures, delegations of authorities, procedures, and work methods; maintain a system for the issuance of the manual of orders and other directives; maintain programs for the management and control of reports, forms, and committee activities; administer the records management program; coordinate the management improvement and cost reduction program; coordinate the system for periodic reporting on progress of major programs and projects of the Administration, and prepare special progress and administrative reports to the Department of Commerce and others, as required.

6. The Office of Personnel shall plan and administer personnel programs and activities relating to recruitment, placement, promotion, separation, employee performance evaluation, training and career development, employee recognition and incentives, employee relations and services, employee-management relations, classification, pay management, and various employee benefit programs.

e. The Office of the General Counsel shall, under the overall supervision of the General Counsel, Department of Commerce, serve as the law office of the Administration; review and give legal clearance to applications for subsidy and other Government aids to shipping, sales, mortgages, charters, and transfers of ships; prepare and approve as to form and legality, contracts, agreements, performance bonds, deeds, leases, general orders, and related documents; render legal opinions as to the interpretation of such documents and the statutes; prepare drafts of proposed legislation and Executive orders, and legislative reports to Congressional committees and the Bureau of the Budget; negotiate and settle, or recommend settlement of, admiralty claims, just compensation claims, tort claims, and claims referred to the office for litigation; assist the Department of Justice in the trial, appeal and settlement of litigation; represent the Administration in public proceedings involving subsidy, charter and related matters before administrative agencies of the Government, and in State and Federal courts; and handle court litigation in actions involving enforcement or defense of the jurisdiction, general orders, and regulations of the Administration.

f. The Office of Program Planning shall plan and develop all major operational programs of the Administration of

a medium, extended, or long-range nature, generally extending beyond the 5-year stage; review and analyze projections of goals and program activities required to carry out the promotion and development of the U.S. Merchant Marine; develop realistic extended or long-range action programs designed to meet the normal peacetime missions of the Administration in the major substantive areas of shipping, shipbuilding, subsidy policy, ship replacement, research and development objectives, etc.; develop and coordinate basic mobilization requirements and programs in these same areas, including emergency planning activities and the National Defense Executive Reserve Program; conduct liaison and planning activities with intergovernmental and international organizations concerned with shipping matters; and conduct economic studies and operations research activities for utilization in program, mobilization, and international planning, and for any other special study purpose of the broadest nature.

g. The Office of Public Information shall issue or clear for issuance all information for the general public on shipping and on decisions and activities of the Administration, and prepare periodic and special reports, as assigned.

h. The Office of Government Aid shall process applications for construction-differential subsidy, operating-differential subsidy, Federal Ship Mortgage insurance, trade-in allowances, and other forms of Government aid to shipping; conduct negotiations with applicants, obtain comments of other offices, and prepare reports and recommendations for the award of Government aid contracts; administer Government aid contracts after their execution; coordinate the work of other organizational components in connection with such contracts; administer Construction Reserve Funds; approve with the concurrence of the Chief, Office of Finance, actions relating to the administration of Special and Capital Reserve Funds of subsidized operators; collect, analyze and evaluate costs of operating ships under United States and foreign registry; calculate and recommend operating-differential subsidy rates; and conduct studies to evaluate the efficiency and economy of operations of subsidized operators. Within this office are personnel responsible for the collection of maritime cost data and other technical maritime activities in foreign countries. The Office of Government Aid has the following divisions: Division of Subsidy Contracts, Division of Mortgage-Insurance Contracts, Division of Operating Costs, and Division of Subsidy Operations Examining.

i. The Office of Maritime Manpower shall advise the Administration regarding labor management relations and problems as they apply to seamen, longshoremen, and shipyard workers, including the effects of technological changes on labor, of manning scales and crew costs on Maritime subsidies, and of proposed labor legislation; make studies and reports of current labor situations to keep the Maritime Administration advised of problems and developments, potential areas of dispute, and trends; coordinate maritime labor questions with other agencies and work with them on matters of mutual interest; develop plans in cooperation with the Department of Labor to provide reserve maritime manpower for mobilization and other emergencies; obtain, analyze, and publish data for use of industry, labor, Government and the public concerning maritime employment, wages, hours, manning, working conditions, and manpower requirements; process nominations for appointment of cadets to the U.S. Merchant Marine Academy; administer a grant-in-aid program for the State maritime academies, determine need for and coordinate training programs for licensed and unlicensed personnel in maritime industries; issue merchant marine decorations and awards; arrange maritime training for foreign nationals sponsored by the Agency for International Development; and provide technical maritime training assistance to foreign countries under international cooperative programs. The Office of Maritime Manpower has the following divisions: Division of Labor Studies, Division of Manpower Development, and Division of Maritime Academies.

j. The Office of Maritime Promotion shall promote increased cargoes for U.S.-flag ships, in accordance with sections 212(b)(1) and 212(d) of the Merchant Marine Act, 1936, as amended; maintain surveillance of and administer cargo preference activities in accordance with section 901(b) of the 1936 Act (Public Law 664, 83d Cong.), Public Resolution 17, 73d Congress, and Recommendation 7 in House Report No. 80, dated February 28, 1955; develop and promote domestic shipping; develop and promote ports and port facilities, pursuant to section 8 of the Merchant Marine Act, 1920, as amended; promote integrated transportation systems, including unitized and containerized cargoes; prepare reviews and analyses of trade data related to these general functions; prepare maritime statistical analyses and U.S. ship employment and utilization data. The Office of Maritime Promotion has the following divisions: Division of Ports and Systems; Division of Trade Studies; and Division of Cargo Promotion.

k. The Office of Research and Development shall manage research and development activities of the Maritime Administration, including planning, organizing, coordinating, executing or directing and controlling these activities for the purpose of improving the efficiency and effectiveness of the American merchant marine in meeting the needs of national defense and of the peacetime foreign and domestic commerce of the United States; in connection therewith, initiate, solicit, develop, and recommend programs and specific research and development projects; negotiate and administer contracts, and direct contract work in connection with such projects, including exploratory and feasibility studies, design, construction, and test operation of prototype components, systems, ships and test facilities, and associated supporting research; participate in and coordinate research and development activities of joint interest with other Government agencies and private organizations.

l. The Office of Ship Construction shall collect and analyze data on relative costs of shipbuilding in the United States and foreign countries; calculate and recommend the amount of construction-differential subsidy; develop preliminary designs establishing the basic characteristics of proposed ships; review and approve ship designs submitted by applicants for Government aid; recommend and, upon request, conduct research and development projects in ship design and construction; develop or approve contract plans and specifications for the construction, reconstruction, conversion, reconversion, reconditioning and betterment of ships; review, obtain approval and certification of national defense features by the Department of the Navy; prepare cost estimates, invitations to bid, and recommendations for the award of ship construction-type contracts; inspect ships during the course of work to assure conformance with approved plans and specifications; provide naval architectural and engineering services in connection with construction of small special purpose ships for other Government agencies; approve designs, supervise construction and undertake final acceptance of fishing vessels constructed under Public Law 86–516, as amended; perform expediting and scheduling activities to insure satisfactory delivery of components and materials to shipyards; maintain current records of commercial shipyard ways in the United States; develop requirements for mobilization ship construction programs; make recommendations for the allocation of ship construction contracts under Public Law 805, 84th Congress; and conduct trial, acceptance and guarantee surveys of ships. The Office of Ship Construction has the following divisions: Division of Ship Design; Division of Engineering, Division of Estimates, Division of Small Ships, Division of Production, and contains the Trial and Guarantee Survey Boards.

m. The Office of Ship Operations shall give national program direction for the operation, maintenance, and repair of Maritime Administration-owned or acquired merchant ships, conduct of ship condition surveys and ship inventories, facilities management, including the procurement, leasing, and disposal of real property, maintenance of warehouses and other facilities, and maintenance of the national defense reserve fleets, including the ship preservation programs and other ship operations activities; provide safety engineering services; approve transfers of ships to foreign ownership, registry or flag; recommend rates for the transportation of Government-financed cargoes and for services of ships operated by, or for, the Maritime Administration; determine program requirements for, and allocate Government-owned oceangoing merchant shipping; recommend the reactivation, purchase, chartering, or

requisition of merchant ships for Government use, and administer activities relating to the charter of such ships; recommend terms of and administer General Agency, Charter and Berth Agency agreements, and related orders; recommend terms of, execute, and administer, contracts for ship repairs for the account of the Maritime Administration; review and make recommendations, from an operating standpoint, on applications for new ship construction; recommend and, upon request, conduct research and development projects in ship operation fields; conduct sales of ships, and supervise compliance with ship sales agreements and mortgages; and administer the ship exchange program. The Office of Ship Operations has the following divisions: Division of Operating Agreements and Rates, Division of Operations, Division of Ship Repair and Maintenance, and Division of Fleet and Facilities Management.

n. The U.S. Merchant Marine Academy, Kings Point, N.Y., shall develop and maintain programs for the training of United States citizens to become officers in the U.S. merchant marine.

SEC. 4. *Field organization*—.01 The primary structure of the field organization of the Maritime Administration consists of three Coast Districts, each headed by a Coast District Director, as specified below:

District	Headquarters location	Area representatives
Atlantic Coast District.	New York, N.Y.	Baltimore, Md., Norfolk, Va.
Gulf Coast District.	New Orleans, La.	
Pacific Coast District.	San Francisco, Calif.	Los Angeles (San Pedro), Calif., Portland, Oreg., Seattle, Wash.

.02 The Coast District Directors shall be responsible for all field offices and programs of the Maritime Administration within their respective Coast Districts, except ship construction and the U.S. Merchant Marine Academy, subject to national policies, determinations, procedures and directives of the appropriate office chief in Washington, D.C. The programs and activities under their jurisdiction shall include the custody and preservation of ships in the national defense reserve fleets; operation, repair and maintenance of ships; marine inspection; ship inventories; accounting and external auditing; review and analysis of operating costs and practices of subsidized operators; procurement and disposal of property and supplies; facilities management; and administrative support activities.

.03 The Area Representatives shall be responsible to the Coast District Directors for carrying out the programs and activities of the Coast Districts described in paragraph .02 of this section as assigned in their respective areas.

SEC. 5. *Joint surface effect ship program office.* Pursuant to a joint agreement between the Departments of Commerce and Navy dated June 20, 1966, the Joint Surface Effect Ship Program Office was established through the Charter signed February 27, 1967, by the Assistant Secretary of Commerce for Science and Technology and the Assistant Secretary of the Navy for Research and Development. This joint organization of the two Departments carries out, under the two Assistant Secretaries, cooperative research programs in surface effect ships. Under the Charter, the following arrangements for the operation of the joint Office were established:

.01 The Maritime Administration will provide part of the funds and personnel for the joint Office, with the Department of the Navy providing, on an approximately equal basis, the balance of funds and personnel required.

.02 The Maritime Administration will provide the joint Office with contracting services, budgetary services for funds of the Maritime Administration made available to the program, and other administrative support services as may be requested by the Office.

.03 The Program Manager, as the head of the joint Office, is responsible to a Joint Steering Committee, which acts for the Assistant Secretaries of the two Departments. The Steering Committee is composed of two representatives of each Department. The Deputy Assistant Secretary for Science and Technology and the Chief, Office of Research and Development of the Maritime Administration are Commerce's designated members of the Steering Committee.

SEC. 6. *Saving provisions.*—.01 All orders, determinations, rules, regulations, permissions, delegations, approvals, agreements, rulings, certificates, directives, and other actions heretofore issued or taken by or relating to the Federal Maritime Board, Maritime Administration, Maritime Subsidy Board, National Shipping Authority and their predecessor agencies, and in effect on the date of this order shall, insofar as they relate to the functions referred to herein and are not inconsistent herewith, remain in full force and effect until hereafter suspended, amended or revoked under appropriate authority.

.02 All actions, proceedings, hearings, or investigations pending on the effective date of this order before the Maritime Administration or the Maritime Subsidy Board in respect to the functions referred to herein shall be continued before the Maritime Administration or the Maritime Subsidy Board, as the case may be, in accordance with the delegations made pursuant to this order.

Effective date: December 21, 1967.

DAVID R. BALDWIN,
Assistant Secretary for Administration.

[F.R. Doc. 68-126; Filed, Jan. 4, 1968; 8:45 a.m.]

CIVIL SERVICE COMMISSION

SPECIAL PAY RANGES

Notice of Adjustment of Minimum Rates and Rate Ranges

Under authority of 5 U.S.C. 5303 and Executive Order 11073, the Civil Service Commission has determined that the minimum rates and rate ranges for the occupations for which special rates are currently established will be adjusted as indicated in the following tables. The new rate ranges are effective as of the effective date of the General Schedule and Postal Field Service Schedule I as provided in the Federal Salary Act of 1967, unless otherwise indicated.

Special Salary Rates Established

These tables show the salary rates established by the Commission under 5 U.S.C. 5303. Each table shows (1) the occupations to which the rates apply, (2) the geographic coverage, (3) the effective date, and (4) the special salary rates authorized. All tables, except as otherwise noted, are effective on the same date as the statutory rates provided by the Federal Pay Act of 1967, in the General Schedule and Postal Field Service Schedule I.

TABLE I

GS-690 Industrial Hygiene Series

GS-800 All Professional Series in the Engineer Group

Professional series at present in the GS-800 Group are:

GS-801	General	GS-855	Electronic
GS-803	Safety	GS-861	Aerospace
GS-804	Fire Prevention	GS-870	Marine
GS-806	Materials	GS-871	Naval Architecture
GS-807	Landscape Architecture	GS-880	Mining
GS-808	Architecture	GS-881	Petroleum
GS-810	Civil	GS-890	Agricultural
GS-819	Sanitary	GS-892	Ceramic
GS-830	Mechanical	GS-893	Chemical
GS-840	Nuclear	GS-894	Welding
GS-850	Electrical	GS-896	Industrial

Science Series and Specializations

GS-1221	Patent Adviser	GS-1330	Astronomy and Space Science
GS-1223	Patent Classifying	GS-1340	Meteorology
GS-1224	Patent Examining	GS-1360	Oceanography
GS-1301.1	Physical Science Subseries	GS-1372	Geodesy
GS-1306	Health Physics	GS-1380	Forest Products Technology
GS-1310	Physics	GS-1386	Photographic Technology
GS-1313	Geophysics	GS-1510	Actuary
GS-1315	Hydrology	GS-1515	Operations Research [1]
GS-1320	Chemistry	GS-1520	Mathematics
GS-1321	Metallurgy	GS-1529	Mathematical Statistics

Geographic coverage: Worldwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [2]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007	9,212
GS-7	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659	9,884	10,109
GS-8	8,868	8,614	8,860	9,106	9,352	9,598	9,844	10,090	10,336	10,582
GS-9	9,390	9,668	9,937	10,206	10,475	10,744	11,013	11,282	11,551	11,820
GS-10	9,997	10,291	10,585	10,879	11,173	11,467	11,761	12,055	12,349	12,643
GS-11	10,945	11,267	11,589	11,911	12,233	12,555	12,877	13,199	13,521	13,843
GS-12	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899	15,281

[1] Rates do not apply at grades 5 through 8. (Series designation formerly GS-015.)
[2] Corresponding statutory rates: GS-5—7th; GS-6—7th; GS-7—7th; GS-8—5th; GS-9—6th; GS-10—5th; GS-11—5th; GS-12—2d.

TABLE II

GS-1350 Geology Series

Geographic coverage: Worldwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-5	$5,937	$6,123	$6,309	$6,495	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611
GS-7	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209

[1] Corresponding statutory rates: GS-5—3d; GS-7—3d.

TABLE III

(Blank)

TABLE IV

GS-405 Pharmacology Series

Geographic coverage: Nationwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-7	$7,409	$7,634	$7,859	$8,084	$8,309	$8,534	$8,759	$8,984	$9,209	$9,434
GS-9	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013	11,282
GS-11	10,623	10,945	11,267	11,589	11,911	12,233	12,555	12,877	13,199	13,521
GS-12	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899	15,281	15,663
GS-13	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557	18,007

[1] Corresponding statutory rates: GS-7—4th; GS-9—4th; GS-11—4th; GS-12—3d; GS-13—2d.

TABLE V

GS-701 Veterinarian Series

Geographic coverage: Worldwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-9	$8,592	$8,861	$9,130	$9,399	$9,668	$9,937	$10,206	$10,475	$10,744	$11,013

[1] Corresponding statutory rate: GS-9—3d.

TABLE VI

GS-920 Estate Tax Examining Series

Geographic coverage: Nationwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007
GS-7	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659
GS-8	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090
GS-9	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013

[1] Corresponding statutory rates: GS-5—7th; GS-6—6th; GS-7—5th; GS-8—3d; GS-9—3d.

TABLE VII

GS-130-15 Professor of Foreign Affairs

Geographic coverage: National War College, Fort Leslie J. McNair, Washington, D.C.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.
GS-15: Increased minimum rate $19,017.[1]

[1] Corresponding statutory rate: GS-15—2d.

TABLE VIII

GS-668 Podiatrist Series

Geographic coverage: Washington, D.C., standard metropolitan statistical area.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-9	$9,668	$9,937	$10,206	$10,475	$10,744	$11,013	$11,282	$11,551	$11,820	$12,089
GS-10	10,585	10,879	11,173	11,467	11,761	12,055	12,349	12,643	12,937	13,231
GS-11	11,589	11,911	12,233	12,555	12,877	13,199	13,521	13,843	14,165	14,487

[1] Corresponding statutory rates: GS-9—7th; GS-10—7th; GS-11—7th.

TABLE IX

GS-660 Pharmacist Series

Geographic coverage: El Paso, Tex., standard metropolitan statistical area.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-10	$9,409	$9,703	$9,997	$10,291	$10,585	$10,879	$11,173	$11,467	$11,761	$12,055

[1] Corresponding statutory rate: GS-10—3d.

TABLE X

GS-660 Pharmacist Series

Geographic coverage: State of California.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007	9,212
GS-7	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659	9,884	10,109
GS-8	8,860	9,106	9,352	9,598	9,844	10,090	10,336	10,582	10,825	11,074
GS-9	9,668	9,937	10,206	10,475	10,744	11,013	11,282	11,551	11,820	12,089
GS-10	9,997	10,291	10,585	10,879	11,173	11,467	11,761	12,055	12,349	12,643
GS-11	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555	12,877	13,199

[1] Corresponding statutory rates: GS-5—7th; GS-6—7th; GS-7—7th; GS-8—7th; GS-9—7th; GS-10—5th; GS-11—3d.

TABLE XI

GS-356 Card Punch Operation Series, Grade 3 Only

GS-359 Electric Accounting Machine Operating Series, Grades 3 and 4

GS-362 Electric Accounting Machine Project Planning Series, Grade 7 Only

Geographic coverage: Juneau Election District, Alaska.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-3	$4,913	$5,062	$5,211	$5,360	$5,509	$5,658	$5,807	$5,956	$6,105	$6,254
GS-4	5,493	5,659	5,825	5,991	6,157	6,323	6,489	6,655	6,821	6,987
GS-7	7,409	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434

[1] Corresponding statutory rates: GS-3—4th; GS-4—4th; GS-7—4th.

TABLE XII

GS-602 Medical Officer Series

Geographic coverage: Worldwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-11	$11,589	$11,911	$12,233	$12,555	$12,877	$13,199	$13,521	$13,843	$14,165	$14,487
GS-12	13,753	14,135	14,517	14,899	15,281	15,663	16,045	16,427	16,809	17,191
GS-13	16,207	16,657	17,107	17,557	18,007	18,457	18,907	19,357	19,807	20,257
GS-14	17,953	18,481	19,009	19,537	20,065	20,593	21,121	21,649	22,177	22,705
GS-15	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921	24,534

[1] Corresponding statutory rates: GS-11—7th; GS-12—7th; GS-13—7th; GS-14—5th; GS-15—2d.

TABLE XIII

PFS-602 Postal Field Service Medical Officer

Geographic coverage: Nationwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10
PFS-13	$12,655	$13,023	$13,391	$13,759	$14,127	$14,495	$14,863	$15,231	$15,599	$15,967
PFS-14	14,016	14,429	14,842	15,255	15,668	16,081	16,494	16,907	17,320	17,733
PFS-15	15,463	15,921	16,379	16,837	17,295	17,753	18,211	18,669	19,127	19,585
PFS-16	17,074	17,576	18,078	18,580	19,082	19,584	20,086	20,588	21,090	21,592
PFS-17	18,890	19,450	20,010	20,570	21,130	21,690	22,250	22,810	23,370	23,930

[1] Corresponding statutory rates: PFS-13—6th; PFS-14—6th; PFS-15—6th; PFS-16—6th; PFS-17—6th.

TABLE XIV

GS-510 Accounting Series

GS-512 Internal Revenue Agent Series

PFS-510 Postal Field Service Accountants and Auditors

Geographic coverage: Worldwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	7,102	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007
GS-7	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659
GS-8	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090
GS-9	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013

[1] Corresponding statutory rates: GS-5—7th; GS-6—6th; GS-7—5th; GS-8—3d; GS-9—3d.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$6,852	$7,054	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872	$9,074
PFS-8	7,803	8,094	8,325	8,556	8,787	9,018	9,249	9,480	9,711	9,942	10,173	----
PFS-10	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558	10,828	11,098	----	----

[1] Corresponding statutory rates: PFS-6—5th; PFS-8—5th; PFS-10—3d.

TABLE XV

GS-1825 Certain Air Carrier Operations Inspectors and Specialists [1]

Geographic coverage: Worldwide.

GS-1825 Aviation Operations Specialist, Grade 15 only [1]

Geographic coverage: Washington, D.C.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [2]	2	3	4	5	6	7	8	9	10
GS-13	$16,207	$16,657	$17,107	$17,557	$18,007	$18,457	$18,907	$19,357	$19,807	$20,257
GS-14	18,481	19,009	19,537	20,065	20,593	21,121	21,649	22,177	22,705	23,233
GS-15	20,243	20,856	21,469	22,082	22,695	23,308	23,921	24,534	25,147	25,760

[1] Eligibility for these special rates is limited to incumbents of positions cited whose duties require them to be type rated on one or more turbojet aircraft used by commercial airlines, and to maintain their proficiency by recurrent training.
[2] Corresponding statutory rates: GS-13—7th; GS-14—6th; GS-15—4th.

TABLE XVI

GS-301 Police Cadet

Geographic coverage: District of Columbia, Metropolitan Police Department.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-2	$4,793	$4,930	$5,067	$5,204	$5,341	$5,478	$5,615	$5,752	$5,889	$6,026
GS-3	5,211	5,360	5,509	5,658	5,807	5,956	6,105	6,254	6,403	6,552

[1] Corresponding statutory rates: GS-2—6th; GS-3—6th.

TABLE XVII

GS-610 Nurse Series

GS-615 Public Health Nurse Series

PFS-610 Postal Field Service Nurse

Geographic coverage: Seattle and Bremerton, Wash.; Detroit, Mich., standard metropolitan statistical area.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-4	$5,825	$5,991	$6,157	$6,323	$6,489	$6,655	$6,821	$6,987	$7,153	$7,319
GS-5	6,309	6,495	6,681	6,867	7,053	7,239	7,425	7,611	7,797	7,983
GS-6	6,752	6,957	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597
GS-7	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209
GS-8	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844

[1] Corresponding statutory rates: GS-4—6th; GS-5—5th; GS-6—4th; GS-7—3d; GS-8—2d.

PER ANNUM RATES

Level	1 [1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$6,852	$7,054	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872	$9,074
PFS-7	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847	9,062	9,277	9,492

[1] Corresponding statutory rates: PFS-6—5th; PFS-7—4th.

TABLE XVIII

PFS-801 General Engineer
PFS-803 Safety Engineer
PFS-806 Materials Engineer
PFS-808 Architect
PFS-830 Mechanical Engineer
PFS-850 Electrical Engineer
PFS-855 Electronic Engineer
PFS-896 Industrial Engineer

Geographic coverage: Nationwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Level	1 [1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$6,852	$7,054	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872	$9,074
PFS-7	7,557	7,772	7,987	8,202	8,417	8,632	8,847	9,062	9,277	9,492	9,707	9,922
PFS-8	8,325	8,556	8,787	9,018	9,249	9,480	9,711	9,942	10,173	10,404	10,635	----------
PFS-9	8,511	8,760	9,009	9,258	9,507	9,756	10,005	10,254	10,503	10,752	----------	----------
PFS-10	9,748	10,018	10,288	10,558	10,828	11,098	11,368	11,638	11,908	12,178	----------	----------
PFS-11	10,346	10,646	10,946	11,246	11,546	11,846	12,146	12,446	12,746	13,046	----------	----------
PFS-12	11,111	11,445	11,779	12,113	12,447	12,781	13,115	13,449	13,783	14,117	----------	----------
PFS-13	11,919	12,287	12,655	13,023	13,391	13,759	14,127	14,495	14,863	15,231	----------	----------
PFS-14	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668	16,081	----------	----------

[1] Corresponding statutory rates: PFS-6—5th; PFS-7—6th; PFS-8—7th; PFS-9—5th; PFS-10—7th; PFS-11—6th PFS-12—5th; PFS-13—4th; PFS-14—2d.

TABLE XIX

GS-644 Medical Technologist Series

Geographic coverage: State of California.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [1]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007	9,212
GS-7	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659	9,884	10,109
GS-8	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090	10,336	10,582
GS-9	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013	11,282
GS-10	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467	11,761

[1] Corresponding statutory rates: GS-5—7th; GS-6—7th; GS-7—7th; GS-8—5th; GS-9—4th; GS-10—2d.

TABLE XX

GS-1811 Criminal Investigator [1]

Geographic coverage: Nationwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1 [2]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007
GS-7	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659
GS-8	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090
GS-9	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013

[1] Positions are otherwise identified as special agents (intelligence), Internal Revenue Service.
[2] Corresponding statutory rates: GS-5—7th; GS-6—6th; GS-7—5th; GS-8—3d; GS-9—3d.

TABLE XXI

GS-644 Medical Technologist Series

Geographic coverage: Baltimore, Md., standard metropolitan statistical area.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-5	$6,495	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169
GS-6	6,752	6,957	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597
GS-7	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209
GS-8	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844

[1] Corresponding statutory rates: GS-5—6th; GS-6—4th; GS-7—3d; GS-8—2d.

TABLE XXII

GS-1370 Cartographer Series
GS-1301 Physical Scientist Series

Coverage: Cartographer, GS-1370, in grades GS-5 through 11, in the St. Louis, Mo., standard metropolitan statistical area, and the Washington, D.C., standard metropolitan statistical area. Physical Scientist, GS-1301, in grades GS-7 through 11 at the Air Force Aeronautical Chart and Information Center in the St. Louis, Mo., standard metropolitan statistical area. (Incumbents of these positions perform professional work in cartography in combination with professional work in at least 1 other recognized scientific occupation, such as geodesy. Such positions are normally filled by reassignment or promotion from positions of cartographer.)
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007	9,212
GS-7	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659	9,884	10,109
GS-8	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090	10,336	10,582
GS-9	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013	11,282
GS-10	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467	11,761	12,055
GS-11	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555	12,877

[1] Corresponding statutory rates: GS-5—7th; GS-6—7th; GS-7—7th; GS-8—5th; GS-9—4th; GS-10—3d; GS-11—2d.

TABLE XXIII

GS-644 Medical Technologist Series

Geographic coverage: Milwaukee, Wis.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-5	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797	$7,983	$8,169	$8,355
GS-6	6,957	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802
GS-7	7,409	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434
GS-8	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090
GS-9	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744

[1] Corresponding statutory rates: GS-5—7th; GS-6—5th; GS-7—4th; GS-8—3d; GS-9—2d.

TABLE XXIV

GS-180 Psychology Series

GS-665 Speech Pathology and Audiology Series

Geographic coverage: Worldwide.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-11	$11,689	$11,911	$12,233	$12,555	$12,877	$13,199	$13,521	$13,843	$14,165	$14,487
GS-12	12,907	12,989	13,371	13,753	14,135	14,517	14,899	15,281	15,663	16,045
GS-13	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557	18,007

[1] Corresponding statutory rates: GS-11—7th; GS-12—4th; GS-13—2d.

TABLE XXV

GS-610 Nurse Series

GS-615 Public Health Nurse Series

Geographic coverage: San Diego County, Calif.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-4	$5,991	$6,157	$6,323	$6,489	$6,655	$6,821	$6,987	$7,153	$7,319	$7,485
GS-5	6,495	6,681	6,867	7,053	7,239	7,425	7,611	7,797	7,983	8,169
GS-6	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007
GS-7	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659
GS-8	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090	10,336
GS-9	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013

[1] Corresponding statutory rates: GS-4—7th; GS-5—6th; GS-6—6th; GS-7—5th; GS-8—4th; GS-9—3d.

TABLE XXVI

GS-610 Nurse Series

GS-615 Public Health Nurse Series

PFS-610 Nurse Series

Geographic coverage: Philadelphia, Pa.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 7, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-4	$5,493	$5,659	$5,825	$5,991	$6,157	$6,323	$6,489	$6,655	$6,821	$6,987
GS-5	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239	7,425	7,611
GS-6	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982	8,187

[1] Corresponding statutory rates: GS-4—4th; GS-5—3rd; GS-6—2d.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$6,448	$6,650	$6,852	$7,054	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670

[1] Corresponding statutory rate: PFS-6—3d.

TABLE XXVII

GS-610 Nurse Series

GS-615 Public Health Nurse Series

PFS-610 Postal Field Service Nurse

Geographic coverage: Baltimore, Md., standard metropolitan statistical area; Galveston, Tex.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-4	$5,991	$6,157	$6,323	$6,489	$6,655	$6,821	$6,987	$7,153	$7,319	$7,485
GS-5	6,495	6,681	6,867	7,053	7,239	7,425	7,611	7,797	7,983	8,169
GS-6	6,957	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802
GS-7	7,409	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434
GS-8	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090
GS-9	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744

[1] Corresponding statutory rates: GS-4—7th; GS-5—6th; GS-6—5th; GS-7—4th; GS-8—3d; GS-9—2d.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$7,054	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872	$9,074	$9,276
PFS-7	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847	9,062	9,277	9,492	9,707

[1] Corresponding statutory rates: PFS-6—6th; PFS-7—5th.

TABLE XXVIII

GS-610 Nurse Series

GS-615 Public Health Service Nurse

PFS-610 Postal Field Service Nurse

Geographic coverage: State of Nevada; State of California (excluding San Diego County and Division of Indian Health Nurses).
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-4	$5,991	$6,157	$6,323	$6,489	$6,655	$6,821	$6,987	$7,153	$7,319	$7,485
GS-5	6,681	6,867	7,053	7,239	7,425	7,611	7,797	7,983	8,169	8,355
GS-6	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007	9,212
GS-7	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659	9,884
GS-8	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090	10,336	10,582
GS-9	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013	11,282

[1] Corresponding statutory rates: GS-4—7th; GS-5—7th; GS-6—7th; GS-7—6th; GS-8—5th; GS-9—4th.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872	$9,074	$9,276	$9,478
PFS-7	7,557	7,772	7,987	8,202	8,417	8,632	8,847	9,062	9,277	9,492	9,707	9,922
PFS-8	7,863	8,094	8,325	8,556	8,787	9,018	9,249	9,480	9,711	9,942	10,173	----

[1] Corresponding statutory rates: PFS-6—7th; PFS-7—6th; PFS-8—5th.

TABLE XXIX

GS-610 Nurse Series

GS-615 Public Health Nurse Series

PFS-610 Postal Field Service Nurse

Geographic coverage: New York, N.Y.; Washington, D.C., standard metropolitan statistical area, Suffolk County (includes Boston), Mass.; U.S. PHS Clinic, Framingham, Mass.; Fort Devens, Mass.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-4	$5,991	$6,157	$6,323	$6,489	$6,655	$6,821	$6,987	$7,153	$7,319	$7,485
GS-5	6,681	6,867	7,053	7,239	7,425	7,611	7,797	7,983	8,169	8,355
GS-6	7,162	7,367	7,572	7,777	7,982	8,187	8,392	8,597	8,802	9,007
GS-7	7,634	7,859	8,084	8,309	8,534	8,759	8,984	9,209	9,434	9,659
GS-8	8,122	8,368	8,614	8,860	9,106	9,352	9,598	9,844	10,090	10,336
GS-9	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475	10,744	11,013
GS-10	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467	11,761

[1] Corresponding statutory rates: GS-4—7th; GS-5—7th; GS-6—6th; GS-7—5th; GS-8—4th; GS-9—3d; GS-10—2d.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872	$9,074	$9,276	$9,478
PFS-7	7,557	7,772	7,987	8,202	8,417	8,632	8,847	9,062	9,277	9,492	9,707	9,922
PFS-8	7,863	8,094	8,325	8,556	8,787	9,018	9,249	9,480	9,711	9,942	10,173	----
PFS-9	8,262	8,511	8,760	9,009	9,258	9,507	9,756	1,005	10,254	10,503	----	----

[1] Corresponding statutory rates: PFS-6—7th; PFS-7—6th; PFS-8—5th; PFS-9—4th.

TABLE XXX

GS-610 Nurse Series

GS-615 Public Health Nurse Series

PFS-610 Postal Field Service Nurse

Geographic coverage: New Orleans, La.; Division of Indian Health, Public Health Service, continental United States except Alaska; Ellsworth Air Force Base, Rapid City, S. Dak.; Albuquerque, N. Mex., including Kirtland Air Force Base and Sandia Base Military Reservation; Fort Sill, Okla.
Effective date: 1st day of the 1st pay period beginning on or after Oct. 1, 1967, for all locations except Fort Sill, Okla.; Nov. 5, 1967, for Fort Sill Okla.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-4	$5,059	$5,825	$5,991	$6,157	$6,323	$6,489	$6,655	$6,821	$6,987	$7,153
GS-5	6,123	6,309	6,495	6,681	6,867	7,053	7,239	7,425	7,611	7,797
GS-6	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982	8,187	8,392
GS-7	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759	8,984

[1] Corresponding statutory rates: GS-4—5th; GS-5—4th; GS-6—3d; GS-7—2d.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$6,650	$6,852	$7,054	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872

[1] Corresponding statutory rate is the 4th step.

TABLE XXXI

GS-2152 Air Traffic Control Specialist (Tower)

Geographic coverage: O'Hare International Airport, Chicago, Ill.
Effective date: 1st day of 1st pay period beginning on or after Oct. 1, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-12	$12,607	$12,989	$13,371	$13,753	$14,135	$14,517	$14,899	$15,281	$15,663	$16,045

[1] Corresponding statutory rate: GS-12—4th.

TABLE XXXII

GS-610 Nurse Series

PFS-610 Postal Field Service Nurse

Geographic coverage: Spokane, Wash. (including Fairchild Air Force Base).
Effective date: 1st day of the 1st pay period beginning on or after Dec. 2, 1967.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-5	$6,123	$6,309	$6,495	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797
GS-6	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982	8,187	8,392

[1] Corresponding statutory rates: GS-5—4th; GS-6—3d.

PER ANNUM RATES

Level	1[1]	2	3	4	5	6	7	8	9	10	11	12
PFS-6	$6,650	$6,852	$7,054	$7,256	$7,458	$7,660	$7,862	$8,064	$8,266	$8,468	$8,670	$8,872

[1] Corresponding statutory rates: PFS-6—4th.

The pay of employees on the rolls will be converted to the new special rate ranges in accordance with § 530.307(b) of the Commission's regulations. If there is no special rate range for a class of positions which previously had a special rate range, the statutory rates apply.

The pay of employees who were promoted during the period between the effective date and the date the adjustment is made, must be recomputed on the basis of the new rates.

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 68-4; Filed, Jan. 4, 1968; 8:45 a.m.]

NURSES, LUBBOCK, TEX. (INCLUDING REESE AIR FORCE BASE)

Notice of Adjustment of Minimum Rates and Rate Ranges

1. Under authority of 5 U.S.C. 5303 and E.O. 11073, the Civil Service Commission has increased the minimum rates and rate ranges for positions of Nurse, GS-610-5 and 6. The revised rate ranges are:

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-5	$6,123	$6,309	$6,495	$6,681	$6,867	$7,053	$7,239	$7,425	$7,611	$7,797
GS-6	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982	8,187	8,392

[1] Corresponding statutory rates: GS-5—Fourth; GS-6—Third.

2. Geographic coverage is Lubbock, Tex. (including Reese Air Force Base).

3. The effective date will be the first day of the first pay period beginning on or after December 31, 1967.

4. All new employees in the specified occupational levels will be hired at the new minimum rate.

5. As of the effective date, all agencies will process a pay adjustment to increase the pay of employees on the rolls in the affected occupational levels. An employee who immediately prior to the effective date was receiving basic compensation at one of the rates of the statutory rate range shall receive basic compensation at the corresponding numbered rate authorized by this notice on and after such date. The pay adjustment will not be considered an equivalent increase within the meaning of 5 U.S.C. 5335.

UNITED STATES CIVIL SERVICE COMMISSION,
JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 68-178; Filed, Jan. 4, 1968; 8:48 a.m.]

FEDERAL MARITIME COMMISSION

INDONESIAN OUTPORTS/SINGAPORE TO U.S. ATLANTIC AND GULF PORTS

Notice of Transshipment Agreement Filed for Approval

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 609; or may inspect agreements at the office of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. Elkan Turk, Jr., Burlingham, Underwood, Barron, Wright & White, 25 Broadway, New York, N.Y. 10004.

On Behalf of the Java/New York Rate Agreement and the following Lines:

P. N. Pelajaran National Indonesia.
Straits Steamship Co., Ltd.
Kie Hock Shipping Co., Ltd.
Asia Selatan Enterprises Ltd.
Guan Guan Shipping Ltd.
Welcome Shipping Co.
Unique Shipping & Trading Co., Ltd.
Asia-Africa Shipping Co., Ltd.
Chuan Ann Shipping Co., Ltd.
Lam Soon Shipping Co., Ltd.

Agreement 9688, between the Member Lines of the Java/New York Rate Agreement No. 90, as amended, and the 10 lines named above establishes a transshipment agreement for movement of through cargo from Indonesian outports (excluding the East Coast of Sumatra between Langsa and Indragiri, both included) to U.S. Atlantic and Gulf Coast ports with transshipment at Singapore

in accordance with terms and conditions set forth in the agreement.

Dated: January 2, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68-190; Filed, Jan. 4, 1968; 8:49 a.m.]

FEDERAL POWER COMMISSION

[Docket No. E-7390]

COLUMBUS AND SOUTHERN OHIO ELECTRIC CO.

Notice of Application

DECEMBER 28, 1967.

Take notice that on December 20, 1967, Columbus and Southern Ohio Electric Co. and the city of Wellston, Ohio, filed a joint application seeking an order pursuant to section 203 of the Federal Power Act authorizing the acquisition of Wellston's electric distribution and street lighting systems by Columbus.

Columbus is incorporated under the laws of Ohio with its principal business office at Columbus, Ohio, and is engaged in the electric utility business in 25 counties in the State of Ohio.

Wellston is a municipal corporation presently engaged in the distribution and sale of electric energy to residential, commercial and small industrial customers within and contiguous to its corporate limits. Approximately 2,200 customers are served by this system. Columbus presently furnishes electric energy at wholesale to Wellston.

The facilities proposed to be purchased constitute all of the electric distribution and street lighting systems of Wellston and include all of the property of Wellston utilized for electric distribution and street lighting purposes, excluding, however, lands, buildings, motor vehicles, tools, and accessories not used exclusively by said systems.

The facilities which have an estimated depreciated original cost of $255,700 are to be purchased for the cash consideration of $2,433,835. Columbus proposes to integrate the electric distribution facilities into its system and to make necessary improvements to provide adequate and reliable service.

Any person desiring to be heard or to make any protest with reference to said application should, on or before January 25, 1968, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68-129; Filed, Jan. 4, 1968; 8:45 a.m.]

[Docket No. E-7389]

CENTRAL ILLINOIS PUBLIC SERVICE CO. AND ILLINOIS POWER CO.

Notice of Application

DECEMBER 28, 1967.

Take notice that on December 20, 1967, Central Illinois Public Service Co. (Central), and Illinois Power Co. (Illinois), filed a joint application seeking an order pursuant to section 203 of the Federal Power Act authorizing the sale by Central and the purchase by Illinois of an electric substation and site.

Central is incorporated under the laws of the State of Illinois with its principal place of business office at Springfield, Ill., and is engaged in the electric utility business in central and southern Illinois.

Illinois is incorporated under the laws of the State of Illinois with its principal business office at Decatur, Ill., and is engaged in the electric utility business in northern, central, and southern Illinois.

The facilities proposed to be transferred consist of a 345-138-kv. electric substation, including a 180/240/300 mva transformer, two 138-kv. current transformers, three 138-kv. potential transformers, four 138-kv. oil circuit breakers, one 345-kv. A.B.S., eight 161-kv. disconnect switches, 150,000 pounds of structural steel, twelve 121-kv. arresters, three 258-kv. arresters, switch house, switchboard, battery, rack charger, carrier relaying, coupling capacitor, substation site, rock, fence, railroad siding, foundation, and the necessary wiring and appurtenances.

As consideration for these facilities Illinois proposes to pay Central $845,466, which Applicants estimate is the depreciated original cost of the subject facilities.

Any person desiring to be heard or to make any protest with reference to said application should, on or before January 25, 1968, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68-130; Filed, Jan. 4, 1968; 8:45 a.m.]

[Docket No. CP68-172]

GAS UTILITY DISTRICT NO. 2 AND SOUTHERN NATURAL GAS CO.

Notice of Application

DECEMBER 28, 1967.

Take notice that on December 14, 1967, the Gas Utility District No. 2, Washington Parish, La. (Applicant), Post Office Box 162, Franklinton, La. 70438, filed an application in Docket No. CP68-172 pursuant to section 7(a) of the Natural Gas Act requesting an order directing Southern Natural Gas Co. (Respondent) to establish physical connection of its transmission facilities with the facilities to be constructed by Applicant and to sell and deliver to Applicant volumes of natural gas for resale in Applicant, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to construct and operate a natural gas distribution system to serve the citizens within its district, and, accordingly, requests that Respondent be ordered to establish physical connection of its transmission facilities with the aforementioned facilities of Applicant. The natural gas delivered and sold to Applicant will be distributed and resold through Applicant's system.

Applicant's estimated third year peak day and annual requirements at 14.73 p.s.i.a. are 1,224 Mcf and 90,580 Mcf, respectively.

The estimated cost of Applicant's system is $870,000.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before January 22, 1968.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68-131; Filed, Jan. 4, 1968; 8:43 a.m.]

[Docket No. E-7386]

NORTHERN LIGHTS, INC.

Notice of Application

DECEMBER 28, 1967.

Take notice that on December 11, 1967, Northern Lights, Inc. (Applicant), incorporated under the laws of the State of Idaho and qualified to do business as a foreign corporation in the States of Montana and Washington, with its principal place of business at Sandpoint, Idaho, filed an application in Docket No. E-7386 for authorization, pursuant to section 202(e) of the Federal Power Act, to transmit electric energy from the United States to Canada. The energy proposed to be exported will be sold by Applicant to British Columbia Hydro and Power Authority (B.C. Hydro), which has its principal place of business at Vancouver, British Columbia, Canada, in accordance with an agreement, dated April 6, 1961, between Applicant and British Columbia Power Commission, predecessor in interest of B.C. Hydro, which was filed as an exhibit to the application. The energy which Applicant proposes to transmit to Canada will be purchased by Applicant from Bonneville Power Administration. Such energy will be delivered by Applicant to B.C. Hydro by means of a single phase 7,200-volt 60-cycle transmission line connecting with B.C. Hydro's facilities at the border between the United States and Canada 505 feet east of Boundary Marker 216 near Eastport, Idaho. B.C. Hydro will resell to

its customers in British Columbia the energy purchased by B.C. Hydro from Applicant. The amount of energy proposed to be exported will not exceed 1,000,000 kwh per year at a maximum rate of transmission of 200 kw.

Concurrently with the filing of its application for authorization in Docket No. E–7386, Applicant filed an application in Docket No. E–7387, pursuant to Executive Order No. 10485, dated September 3, 1953, for a permit to operate, maintain and connect the aforementioned facilities at the United States-Canadian border near Eastport, Idaho, for the transmission of electric energy between the United States and Canada.

Any person desiring to be heard or to make any protest with reference to the application filed in Docket No. E–7386 should on or before January 25, 1968, file with the Federal Power Commission, Washington, D.C. 20426, a petition or protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68–132; Filed, Jan. 4, 1968; 8:45 a.m.]

[Docket No. CP68–173]

SYLVANIA CORP.

Notice of Application

DECEMBER 28, 1967.

Take notice that on December 15, 1967, The Sylvania Corp. (Applicant), 308 Seneca Street, Oil City, Pa. 16301, filed in Docket No. CP68–173 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities for the transportation and sale of natural gas in interstate commerce, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant proposes to construct and operate 7 miles of 8-inch pipeline and measurement facilities to gather locally produced gas in the Wyckoff Field, Steuben County, N.Y. Applicant also proposes to sell the gas gathered by the aforementioned facilities to United Natural Gas Co. at existing points of delivery in Pennsylvania.

The total estimated cost of the proposed facilities is $225,000, which cost will be financed in part out of available company funds and in part from funds to be obtained by issuing to its parent corporation, National Fuel Gas Co., notes, or stock, or both at face or par value.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (§ 157.10) on or before January 22, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68–133; Filed, Jan. 4, 1968; 8:46 a.m.]

[Docket No. CI65–135]

WILLIAMS BROTHERS CO. ET AL.

Order Clarifying Order, Making Successor Co-respondent, Redesignating Proceeding, and Authorizing Collection of Rates Subject to Refund

DECEMBER 11, 1967.

Williams Brothers Co. (successor to Pan American Petroleum Corp.), Docket No. CI65–135; Pan American Petroleum Corp., Hanley Co. (Operator) et al., and Williams Brothers Co., Docket Nos. RI61–44[1] and RI65–111.

Williams Brothers Co. (Williams) has requested clarification of the Commission's order issued July 28, 1965, in Docket No. CI65–135 which, inter alia, issued a certificate to Williams authorizing, effective as of the date of the order, continuation of a sale previously made by Pan American Petroleum Corp. (Pan American) under its FPC Gas Rate Schedule No. 129 to El Paso Natural Gas Co. (El Paso) from the Spraberry Field, Reagan County, Tex. RR. Dist. No. 7–c at a 18.243 cents per Mcf rate, subject to refund in Docket No. RI65–111. By that order Williams was also made a co-respondent in Docket No. RI65–111. The 18.243 cents rate is the same rate Pan American was then collecting subject to refund in Docket No. RI65–111 for sales under its FPC Gas Rate Schedule No. 129 which included at one time the acreage acquired by Williams. Williams in its request seeks clarification as to the rate it may charge for the period between October 1, 1961, the date it acquired its interest in the subject properties, and July 25, 1965, the effective date of the certificate order in Docket No. CI65–135.

Williams acquired its interest in these properties by an assignment effective as of October 1, 1961, from a company which had earlier acquired this interest through a cross-assignment from Pan American of certain of the properties covered by Pan American's FPC Gas Rate Schedule No. 129. Pan American was collecting a 17.1632-cent rate subject to refund in Docket No. RI61–44 for sales under its FPC Gas Rate Schedule No. 129 on October 1, 1961, the date Williams acquired its interest. Pan American also collected an increased rate of 18.243 cents per Mcf subject to refund in Docket No. RI65–111 during the period from January 6, 1965 until the issuance of the certificate order in Docket No. CI65–135 on July 28, 1965.

It is the Commission's policy to place a successor in the same position as that of its predecessor.[2] Consistent therewith Williams is deemed to have been covered by Pan American's related certificate and rate schedule prior to the issuance of the certificate to Williams on July 28, 1965, and Williams is entitled to collect during this period the same rates collected by Pan American. Williams should therefore be permitted to collect, under its FPC Gas Rate Schedule No. 3, a 17.1632-cent-per-Mcf rate at 14.65 p.s.i.a., subject to refund in Docket No. RI61–44, from October 1, 1961, until January 6, 1965, and a 18.2430-cent-per-Mcf rate at 14.65 p.s.i.a., subject to refund in Docket No. RI65–111, from January 6, 1965, until July 28, 1965. Williams will be made a co-respondent in Docket No. RI61–44 and will be required to file an agreement and undertaking in connection therewith. The agreement and undertaking previously filed by Williams in Docket No. RI65–111 will also be deemed to cover the collection of the 18.243-cent rate, here authorized, in Docket No. RI65–111 for the period from January 6, 1965, until July 28, 1965.

Since Docket No. RI61–44 is consolidated in the Permian decision in Opinion No. 468, which is now awaiting review by the U.S. Supreme Court, Williams will also be required to file a Rate Schedule Quality Statement for sales under its FPC Gas Rate Schedule No. 3 as well as a refund report in Docket No. RI61–44, as provided in paragraphs (F) and (I) of Opinion No. 468, respectively.[3] If Opinion No. 468 is affirmed upon review by the U.S. Supreme Court, Williams will be required to make refunds of those amounts collected in excess of the applicable area just and reasonable ceiling determined there.

The Commission orders:

(A) Williams is authorized, under its FPC Gas Rate Schedule No. 3, to collect a 17.1632 cents per Mcf rate at 14.65 p.s.i.a., subject to refund in Docket No. RI61–44, from October 1, 1961, until

[1] Docket No. RI61–44 is consolidated in the area rate proceeding in Docket Nos. AR61–1 et al. Hanley Co., Operator et al., is a co-respondent in Docket No. RI61–44, but not in Docket No. RI65–111.

[2] The policy was followed, for instance, in Opinion No. 408 issued Oct. 31, 1963 (Graridge Corp. (Operator) et al., Docket Nos. G–19246 et al.), but the issue presented there is not involved here.

[3] The applicable area just and reasonable rate for sales under Pan American's FPC Gas Rate Schedule No. 129 as determined in Opinion No. 468 is 14.5 cents per Mcf.

January 6, 1965, upon compliance with the provisions of paragraph (C) below, and a 18.243 cents per Mcf rate at 14.65 p.s.i.a., subject to refund in Docket No. RI65–111, from January 6, 1965, until July 28, 1965.

(B) Williams is made a co-respondent in Docket No. RI61–44.

(C) Within 30 days from the issuance of this order, Williams shall execute, in the form attached hereto, and shall file with the Secretary of the Commission an acceptable agreement and undertaking in Docket No. RI61–44 to assure the refund of any amounts collected by it, as authorized in paragraph (A) above, in excess of the rate determined to be just and reasonable in said proceeding. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of filing, such agreement and undertaking shall be deemed to have been accepted for filing.

(D) Williams shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder and Williams' agreement and undertakings in Docket Nos. RI61–44 and RI65–111 shall remain in full force and effect until discharged by the Commission.

(E) Within 60 days of the date of issuance of this order Williams shall file a Rate Schedule Quality Statement with respect to sales under its FPC Gas Rate Schedule No. 3, and a refund report in Docket No. RI61–44, as provided in paragraphs (F) and (I) of Opinion No. 468, respectively.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68–134; Filed, Jan. 4, 1968; 8:46 a.m.]

NATIONAL AERONAUTICS AND SPACE COUNCIL

SPECIAL AND AEROSPACE ASSISTANTS

Notice of Basic Compensation

Positions To Be Changed:

Special Assistant	$19,371	SCS No. 4.
Special Assistant	23,013	SCS No. 5.
Aerospace Assistant	25,890	SCS No. 2.
Aerospace Assistant	25,890	SCS No. 3.

Notice of Basic Compensation:

Name and title	New pay rate	Old pay rate	Position No.
Eller C. Ravnholt, Special Assistant	$20,243 p.a.	$19,371 p.a.	SCS No. 4.
Norman Sherman, Special Assistant	23,921 p.a.	23,013 p.a.	SCS No. 5.
Philip K. Eckman, Aerospace Assistant	26,960 p.a.	25,890 p.a.	SCS No. 2.
Frank F. Rand, Jr., Aerospace Assistant	26,960 p.a.	25,890 p.a.	SCS No. 3.

Authority for Pay Change: Pub. Law 88–426 approved August 14, 1964, Title III, section 306, subsection (c) reads: "That part of section 201(f) of the National Aeronautics and Space Act of 1958 (72 Stat. 428; 42 U.S.C. 2471(f)), fixing a limit of $19,000 on the compensation of seven persons in the National Aeronautics and Space Council, is amended by striking out 'compensated at the rate of not more than $19,000 a year,' and inserting in lieu thereof 'compensated at not to exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended,'" and Title II, section 211(b) of Public Law 90–206 approved December 16, 1967.

Effective date: October 8, 1967.

RUSSELL W. HALE,
Assistant to Executive Secretary.

[F.R. Doc. 68–39; Filed, Jan. 4, 1968; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

CODITRON CORP.

Order Suspending Trading

DECEMBER 29, 1967.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock, $3 par value, of Coditron Corp., New York, N.Y., otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period January 1, 1968, through January 10, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68–148; Filed, Jan. 4, 1968; 8:47 a.m.]

LEEDS SHOES, INC.

Order Suspending Trading

DECEMBER 29, 1967.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Leeds Shoes, Inc., Tampa, Fla., and all other securities of Leeds Shoes, Inc., being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period January 1, 1968, through January 10, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68–149; Filed, Jan. 4, 1968; 8:47 a.m.]

[813–26]

GENERAL ELECTRIC CO.

Notice of and Order for Hearing on Application for Order Exempting Employees' Securities Company

DECEMBER 28, 1967.

General Electric Co. ("Applicant"), 570 Lexington Avenue, New York, N.Y. 10022, has filed an application pursuant to section 6(b) of the Investment Company Act of 1940, 15 U.S.C. section 80a–1, et seq. ("Act"), for an order exempting the General Electric S&S Program Mutual Fund ("Fund") from the following sections of the Act and the rules and regulations promulgated thereunder: Sections 8 (except section 8(a)); 10; 13(a)(4); all other provisions of section 13 but only to the extent they would require voting on changes in the rules of the Fund made pursuant to requirements of any governmental authorities; 14; 15; 16; 18(i); 20(a); 22(e); 22(f); 24; 30(a), (b), and (c), except 30(b)(2); and section 30(d) to the extent that a report to participants more than once a year may be required; and 32(a).

The Commission, on May 31, 1967, issued a notice of the filing of said application (Investment Company Act Release No. 4973). The notice, which is incorporated herein by reference, gave interested persons an opportunity to request a hearing and stated that an order disposing of the application might be issued upon the basis of the information stated therein unless a hearing should be ordered. The time within which such request could be filed was extended by the Commission from June 16, 1967, 5:30 p.m. to the close of business June 27, 1967, upon request made by the International Union of Electrical Radio and Machine Workers, AFL–CIO ("IUE").

IUE filed a request for a hearing on June 27, 1967. The Commission has considered IUE's request and has determined that it is appropriate in the public interest and in the interest of investors that a hearing be held with respect to the application pursuant to the aforesaid sections of the Act; therefore:

It is ordered, Pursuant to section 40(a) of the Act, that a hearing on the aforesaid application under the applicable provisions of the Act and of the rules of the Commission thereunder be held on January 15, 1968, at 10 a.m., in the offices of the Securities and Exchange Commission, 500 North Capitol Street NW., Washington, D.C. 20549. At such time, the Hearings Room Clerk will advise as to the room in which such hearing will be held. Any person desiring to be heard or otherwise wishing to participate in the proceeding is directed to file with the Secretary of the Commission his application as provided

by Rule 9(c) of the Commission's rules of practice, on or before the date provided in the rule, setting forth any issues of law or fact which he desires to controvert or any additional issues which he deems raised by this notice and order or by such application. Persons filing an application to participate or be heard will receive notice of any adjournment of the hearing as well as other actions of the Commission involving the subject matter of these proceedings

It is further ordered, That any officer or officers of the Commission designated by it for that purpose, shall preside at said hearing. The officer so designated is hereby authorized to exercise all the powers granted to the Commission under sections 41 and 42(b) of the Act and to a hearing officer under the Commission's rules of practice.

It is further ordered, That the Secretary of the Commission shall give notice of the aforesaid hearing by mailing a copy of this notice and order by registered mail to General Electric Co. and IUE; that notice to all other persons be given by publication of this notice and order in the FEDERAL REGISTER; and that a general release of this Commission in respect of this notice and order be distributed to the press and mailed to the mailing list for releases.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-150; Filed, Jan. 4, 1968; 8:47 a.m.]

ROVER SHOE CO.

Order Suspending Trading

DECEMBER 29, 1967.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Rover Shoe Co., Bushnell, Fla., and stock purchase warrants of Rover Shoe Co. being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period January 2, 1968 through January 11, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-151; Filed, Jan. 4, 1968; 8:47 a.m.]

[70-4565]

DUVAL CORP. AND DUVAL SIERRITA CORP.

Notice of Filing Regarding Issue and Sale by Nonutility Subsidiary Company

DECEMBER 29, 1967.

Notice of filing regarding issue and sale by nonutility subsidiary company of notes to banks and to agency of U.S. Government; of preferred stock to institutional investor; and of notes and common stock to affiliate company and the acquisition thereof by such affiliate.

Notice is hereby given that Duval Corp. ("Duval"), an indirect nonutility subsidiary company of Pennzoil Co. ("Pennzoil"), a registered holding company under the Public Utility Holding Company Act of 1935 ("Act"), and its wholly owned nonutility subsidiary company, Duval Sierrita Corp. ("Sierrita"), 1906 First City National Bank Building, Houston, Tex. 77002, have filed with this Commission a joint application-declaration and an amendment thereto, designating sections 6, 7, 9, 10, 12, and 13 of the Act and Rules 22, 23, 24, and 45 promulgated thereunder, as applicable to the proposed transactions. All interested persons are referred to said joint application-declaration, which is summarized below, for a complete description of the proposed transactions.

Duval is an indirect nonutility subsidiary company of Pennzoil in that approximately 76 percent of Duval's capital stock is owned by United Gas Corp., a 42 percent owned gas utility subsidiary company of Pennzoil. Duval is engaged primarily in the mining and milling of copper, molybdenum, and potash ores and the marketing of the resulting products and the mining and marketing of crude sulphur.

In response to an invitation from the U.S. Government pursuant to a program under the Defense Production Act of 1950 to encourage additional domestic production of copper in the interest of national security, Duval submitted a proposal for the development of a large copper ore body adjacent to its Esperanza mine in Pima County, Ariz. On November 28, 1967, a definitive contract covering the proposed development project was entered into between the General Services Administration ("GSA"), the Federal contracting agency, and Sierrita, a Texas corporation organized by Duval for the purpose of developing, financing, and carrying out the project. The contract will become effective on or before February 15, 1968.

Under the GSA contract, the Government will purchase a maximum of 218,421,052 pounds of copper from Sierrita at the contract price of 38 cents per pound, or at a total cost of $83 million. The Government will, from time to time, make advance payments (GSA advance payments), for such copper in an amount not to exceed $83 million. Each GSA advance payment will be evidenced by Sierrita's promissory note due on or before June 30, 1975.

Under the GSA contract, Sierrita will be obligated to sell in the commercial market all of the molybdenum, silver, and any other metals or minerals (other than copper) produced by it from the Sierrita property and, in addition, will be permitted to sell in the commercial market the quantity of copper production necessary to generate total sales revenues sufficient to cover all cash operating and maintenance expenses, capital replacements, and normal capital additions, freight and adjustments, taxes, interest charges and repayment of temporary intercompany advances made to maintain working capital of $10 million. All remaining copper produced from the Sierrita property will be delivered to the Government in repayment of the principal amount of GSA advance payments.

It is estimated that Sierrita's total capital requirements, including working capital, will amount to approximately $148 million. This amount does not include approximately $3,500,000 representing Duval's present direct capital investment in the Sierrita property, which will be transferred to Sierrita in exchange for common stock of Sierrita.

At the outset, short-term notes of up to $45 million will be issued and sold pursuant to the terms of an Interim Bank Loan Agreement. It is contemplated that Sierrita will pay such short-term notes out of GSA advance payments.

The permanent capital requirements of Sierrita are to be provided by the issue and sale of (a) $83 million of its GSA advance payment notes, (b) $48,750,000 of its V-loan notes, (c) 10,000 shares of its preferred stock and (d) $15,750,000 of notes and common stock to Duval, all as described hereinafter. In the event the capital requirements are less than $148 million, the difference will be used to reduce the principal amount of GSA advance payment notes. In addition, as noted in connection with the Duval commitment, hereinafter described, Duval may supply additional interim funds, if and when the need arises, with temporary advances.

Under the terms of the Interim Bank Loan Agreement, effective as of November 27, 1967, each of the following commercial banks, represented by First National City Bank, New York, N.Y., as agent, have agreed to make loans to Sierrita from time to time through July 31, 1968, up to the aggregate principal amount set opposite its name below:

First National City Bank	$30,000,000
Marine Midland Grace Trust Co. of New York	8,000,000
Marine Midland Trust Co. of Western New York	5,000,000
Marine Midland Trust Co. of Rochester	2,000,000
Total	45,000,000

The interim borrowings will be evidenced by promissory notes of Sierrita of which $25 million will mature on July 31, 1969, and the balance, up to $20 million, will mature on July 31, 1968. Each note will bear interest, at an annual rate which shall be 1 percent over the First National City Bank's lowest rate on 90-day loans prevailing from time to time while the notes are outstanding, subject to change from time to time, effective as of the effective date of each change in such loan rate, up to a maximum rate of 7½ percent and down to a minimum rate of 6½ percent. The notes will be secured by an assignment by Sierrita of GSA advance payments and will be subject to a guarantee by Duval in respect of $15 million.

Each interim note may be prepaid at any time without premium or penalty

except that no prepayment may be made, directly or indirectly, from proceeds of bank borrowings, other than the V-loans, described hereinafter. Under the Interim Bank Loan Agreement Sierrita will agree to pay a commitment fee of one-fourth of 1 percent per annum from November 21, 1967, to July 31, 1968, on the daily unused amount of the commitment of each bank.

Under the terms of a Bank Loan Agreement expected to become effective about February 15, 1968, each of the following commercial banks, represented by Mellon National Bank and Trust Co., as agent, will agree to make loans (V-loans), as indicated below, to Sierrita after Sierrita has expended not less than $83 million in developing the Sierrita property and has received at least $58 million of GSA advance payments:

Mellon National Bank & Trust Co	$10,000,000
Chemical Bank New York Trust Co	7,000,000
Bank of America	7,000,000
First National Bank of Boston	7,000,000
First National Bank of Chicago	7,000,000
Franklin National Bank (New York)	7,000,000
The Cleveland Trust Co	2,750,000
Valley National Bank (Phoenix)	1,000,000
Total	48,750,000

Each borrowing will be evidenced by Sierrita's promissory note due on or before June 30, 1978 (V-notes), and will be issued from time to time from October 1, 1968, to and including December 31, 1969. The V-notes will be subject to the following mandatory prepayments: $5,750,000 on December 31, 1975; $4,250,000 each on the last day of each March, June, September, and December in each of the years, 1976 and 1977; $4,500,000 on March 31, 1978; and $4,500,000 on June 30, 1978. In addition, Sierrita may make optional prepayments at any time in the amount of $1 million or any multiple thereof which will be applied to the mandatory prepayments in the inverse order of their due dates. All prepayments are without premium or penalty except that if prepayments are made directly or indirectly from bank borrowings other than ratably from these banks, a premium on the principal amount of the prepayment, calculated at the rate of one-half of 1 percent per annum, will be payable. In the case of mandatory prepayments, the premium will be computed from the date of the prepayment to June 30, 1978, and in the case of optional prepayments, from the date of prepayment to the date of the mandatory prepayment to which it is applied.

Under such Bank Loan Agreement Sierrita will agree to pay a commitment fee from the date the agreement becomes effective or October 1, 1968, whichever is earlier, at the rate of one-half of 1 percent per annum, until December 31, 1969, on the daily unused amount of the commitment of each bank. The V-notes will be secured by a mortgage covering the Sierrita property and any other mortgageable asset of Sierrita. Such notes will be subject to a guarantee by GSA, pursuant to Regulation V under the Defense Production Act of 1950 and Executive Order No. 10161 under a guaranty agreement between GSA and each bank. Each V-note will bear interest at the rate per annum which shall be 0.9 percent above the prime commerical loan rate of Mellon National Bank and Trust Co. for unsecured loans prevailing from time to time while the V-note is outstanding, such rate to change automatically from time to time, effective as of the effective date of each change in such prime commercial loan rate, up to a maximum rate of 7½ percent and down to a minimum rate of 5½ percent. Any overdue principal sum will bear interest at the rate of 7½ percent.

Sierrita also proposes to issue to William Marsh Rice University, a corporation subject to the Texas Non-profit Corporation Act, 10,000 shares of 7 percent Cumulative Voting Preferred Stock, $50 par value, constituting all of the issued and outstanding shares of such class of stock, in exchange for $500,000. This preferred stock is redeemable at the option of the holder of the common stock which is to be Duval. The initial redemption price of the preferred stock is $52.50 per share, plus accrued dividends to the redemption date, with the redemption price increasing $2.50 per share each calendar year thereafter. In the event of the voluntary or involuntary liquidation of Sierrita, the holders of the preferred stock shall be entitled to be paid its redemption value.

After Sierrita has received the GSA advance payments and the proceeds from the sale of the V-notes and preferred stock, Duval proposes to make available to Sierrita from time to time, by direct loan, guarantee of Sierrita indebtedness or otherwise, and Sierrita proposes to borrow, such funds, presently estimated at $15,750,000, as may be necessary for Sierrita to complete the construction of necessary facilities on the Sierrita property and maintain working capital. The Duval funds will bear interest at a rate not to exceed 7½ percent per annum (limited, if by way of direct loan, to 6 percent per annum or, in the event the funds are provided from borrowings for such purpose, to the cost of new money to Duval) and no part of the principal thereof will be repaid until the notes to GSA and the V-notes, have been paid.

In addition Sierrita proposes to issue to Duval, and Duval proposes to acquire, 10,000 shares of common stock, $1 par value constituting all of the issued and outstanding shares of such class of stock, in exchange for $1,000 and Duval's present rights and interests in the Sierrita property having a book value of approximately $3,500,000.

Duval also agrees to make available to Sierrita such temporary advances and guarantees, in addition to the other Duval investments, as may be necessary to enable Sierrita to carry out the purposes of the GSA Contract. Such temporary advances will bear interest at the rate of 6 percent per annum or, in the event that funds are provided from borrowings for such purpose, at a rate equal to the interest cost of new money to Duval at the time of the advance, but not in excess of 7½ percent per annum. The principal of the temporary advances are to be repaid, and interest thereon will be paid by Sierrita from time to time as Sierrita has funds available for such payments.

Duval also proposes to amend covenants under its present bank loan agreements to the extent necessary to permit it to perform its obligations under its commitment and to permit it to guarantee the repayment by Sierrita of $15 million of Sierrita's borrowings under the Interim Bank Loan Agreement.

In accordance with the Duval Commitment, Duval proposes from time to time to undertake the supervision and management of the operations of Sierrita and to make available to Sierrita at Duval's cost (and without profit of any kind therefor), and Sierrita proposes to reimburse Duval for the managerial, scientific and engineering experience of Duval and the services of such of Duval's employees and officers as Duval may deem necessary in connection with the development of the Sierrita property.

Sierrita requests that the order to be entered herein recite that its notes evidencing (i) interim borrowings under the Interim Bank Loan Agreement, (ii) GSA Advances under the GSA Contract and (iii) V-loans under the Bank Loan Agreement are not subject to the competitive bidding requirement of Rule 50 since such notes will have a maturity of 10 years or less and otherwise meet the requirements of subparagraph (a) (2) of such rule and, in the alternative, requests an order under subparagraph (a) (5) of such rule that compliance with the competitive bidding requirements thereof with respect to the issuance of such securities is not appropriate to aid the Commission in carrying out the provisions of the Act.

It is stated that no State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transactions. No finder's fee or other fee, commission or remuneration is to be paid in connection with the proposed issuance and sale of securities by Sierrita to any third person for negotiating such transactions. Information respecting the fees, and expenses to be incurred in connection with the proposed transactions are to be supplied by amendment.

Notice is further given that any interested person may, not later than January 12, 1968, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon the applicants-declarants at

the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the joint application-declaration, as amended or as it may be further amended, may be granted and permitted to become effective, as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 68-177; Filed, Jan. 4, 1968; 8:48 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 1138]

MOTOR CARRIER, BROKER, WATER CARRIER, AND FREIGHT FORWARDER APPLICATIONS

DECEMBER 29, 1967.

The following applications are governed by special rule 1.247[1] of the Commission's general rules of practice (49 CFR, as amended), published in the FEDERAL REGISTER issue of April 20, 1966, effective May 20, 1966. These rules provide, among other things, that a protest to the granting of an application must be filed with the Commission within 30 days after date of notice of filing of the application is published in the FEDERAL REGISTER. Failure seasonably to file a protest will be construed as a waiver of opposition and participation in the proceeding. A protest under these rules should comply with § 1.247(d)(3) of the rules of practice which requires that it set forth specifically the grounds upon which it is made, contain a detailed statement of protestant's interest in the proceeding (including a copy of the specific portions of its authority which protestant believes to be in conflict with that sought in the application, and describing in detail the method—whether by joinder, interline, or other means—by which protestant would use such authority to provide all or part of the service proposed), and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. Protests not in reasonable compliance with the requirements of the rules may be rejected. The original and one copy of the protest shall be filed with the Commission, and a copy shall be served concurrently upon applicant's representative, or applicant if no representative is named. If the protest includes a request for oral hearing, such requests shall meet the requirements of § 1.247(d)(4) of the special rule, and shall include the certification required therein.

Section 1.247(f) of the Commission's rules of practice further provides that each applicant shall, if protests to its application have been filed, and within 60 days of the date of this publication, notify the Commission in writing (1) that it is ready to proceed and prosecute the application, or (2) that it wishes to withdraw the application, failure in which the application will be dismissed by the Commission.

Further processing steps (whether modified procedure, oral hearing, or other procedures) will be determined generally in accordance with the Commission's general policy statement concerning motor carrier licensing procedures, published in the FEDERAL REGISTER issue of May 3, 1966. This assignment will be by Commission order which will be served on each party of record.

The publications hereinafter set forth reflect the scope of the applications as filed by applicants, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

No. MC 730 (Sub-No. 291) (Correction), filed November 8, 1967, published FEDERAL REGISTER issue of December 7, 1967, corrected and republished as corrected this issue. Applicant: PACIFIC INTERMOUNTAIN EXPRESS CO., a corporation, 1417 Clay Street, Oakland, Calif. 94604. Applicant's representative: Charles Frederick Zeebuyth (same address as applicant). Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Liquid chemicals,* in bulk, in tank vehicles from points in California to points in Louisiana. NOTE: The purpose of this republication is to add "in bulk, in tank vehicles", which was inadvertently omitted from the commodity description. If a hearing is deemed necessary, applicant requests it be held at San Francisco or Los Angeles, Calif.

No. MC 5470 (Sub-No. 33), filed December 13, 1967. Applicant: ERSKINE & SONS, INC., Rural Delivery No. 5, Mercer, Pa. 16137. Applicant's representative: Theodore Polydoroff, 917 Munsey Building, Washington, D.C. 20004. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Scrap metals,* in bulk, in dump vehicles, between Transfer, Pa., on the one hand, and, on the other, Baltimore, Md., and Newark, N.J. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Pittsburgh, Pa.

No. MC 5470 (Sub-No. 34), filed December 14, 1967. Applicant: ERSKINE & SONS, INC., Rural Delivery No. 5, Mercer, Pa. 16137. Applicant's representative: Theodore Polydoroff, Munsey Building, Washington, D.C. 20004. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Carbon products, electrode binder, scrap carbon, calcine coal and petroleum coke,* in bulk, in dump vehicles, between Clarksburg, W. Va., and Niagara Falls, N.Y. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or New York, N.Y.

No. MC 9692 (Sub-No. 3), filed December 8, 1967. Applicant: ROBERT D. ECKERT, 1049 Lincoln Heights Avenue, Ephrata, Pa. 17522. Applicant's representative: Christian V. Graf, 407 North Front Street, Harrisburg, Pa. 17101. Authority sought to operate as a *contract carrier,* by motor vehicle, over regular routes, transporting: *Such commodities as are generally made by a manufacturing rug and linoleum company, and equipment, materials and supplies incidental thereto; and rugs and carpets,* from Marietta, Pa., to Baltimore, Md., from Marietta, over Pennsylvania Highway 441 to junction U.S. Highway 30, thence over U.S. Highway 30 to junction Interstate Highway 83, thence over Interstate Highway 83 to junction Interstate Highway 695, thence over Interstate Highway 695 to junction Interstate Highway 95, thence over Interstate Highway 95 to Baltimore, and return over the same route, serving no intermediate points. Restriction: The operations above to be limited to a transportation service to be performed under a continuing contract or contracts with J. J. Haines & Co., Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Harrisburg, Pa.

No. MC 10173 (Sub-No. 9), filed December 6, 1967. Applicant: MARVIN HAYES LINES, INC., Hayes Circle, Clarksville, Tenn. Applicant's representative: Charles H. Hudson, Jr., 833 Stahlman Building, Nashville, Tenn. 37201. Authority sought to operate as a *common carrier,* by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, and commodities requiring special equipment), (1) between Memphis and Clarksville, Tenn., over U.S. Highway 79, serving no intermediate points, (2) between Memphis, Tenn., and the junction of U.S. Highways 79 and 45-E at or near Milan, Tenn., from Memphis over Interstate Highway I-40 to junction U.S. Highway 45, thence over U.S. Highway 45 to junction U.S. Highway 45-E, thence over U.S. Highway 45-E to junction U.S. Highway 79, and return over the same route, serving no intermediate points, but serving said junctions for purposes for joinder only, (3) between Memphis, Tenn., and the junction of U.S. Highway 79 and

[1] Copies of special rule 1.247 (as amended) can be obtained by writing to the Secretary, Interstate Commerce Commission, Washington, D.C. 20423.

Tennessee Highway 22 at or near McKenzie, Tenn., from Memphis over Interstate Highway I–40 to junction Tennessee Highway 22, thence over Tennessee Highway 22 to junction U.S. Highway 79, and return over the same route, serving no intermediate points, but serving said junctions for purposes for joinder only, (3) between Memphis, Tenn., and the junction of U.S. Highway 79 and Tennessee Highway 22 at or near McKenzie, Tenn., from Memphis over Interstate Highway I–40 to junction Tennessee Highway 22, thence over Tennessee Highway 22 to junction U.S. Highway 79, and return over the same route, serving no intermediate points, but serving said junctions for purpose of joinder only.

(4) Between Clarksville, Tenn., and Hopkinsville, Ky., from Clarksville over U.S. Highway 79 to junction U.S. Highway 68 at or near Russellville, Ky., thence over U.S. Highway 68 to Hopkinsville, and return over the same route, serving all intermediate points and the off-route points of Guthrie and Auburn, Ky., (5) between Hopkinsville, Ky., and the junction of U.S. Highways 41 and 79 at or near Guthrie, Ky., over U.S. Highway 41, serving all intermediate points, and the junction of U.S. Highways 41 and 79 for purpose of joinder only, (6) between Hopkinsville, Ky., and Hopkinsville, Ky., from Hopkinsville over U.S. Highway 68 to Cadiz, Ky., thence over Kentucky Highway 139 to Princeton, Ky., thence over U.S. Highway 62 to Nortonville, Ky., thence over U.S. Highway 41 to Hopkinsville, Ky., and return over the same route, serving all intermediate points, (7) between Hopkinsville and Princeton, Ky., from Hopkinsville over U.S. Highway 68 to junction Kentucky Highway 91, thence over Kentucky Highway 91 to Princeton and return over the same route, serving all intermediate points and (8) between Hopkinsville and Dawson Springs, Ky., over Kentucky Highway 109, serving all intermediate points. NOTE: If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn.

No. MC 16682 (Sub-No. 75), filed November 20, 1967. Applicant: MURAL TRANSPORT, INC., 2900 Review Avenue, Long Island City, N.Y. 11101. Applicant's representative: S. S. Eisen, 140 Cedar Street, New York, N.Y. 10006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture, and store and office fixtures and equipment*, between points in Craighead and Greene Counties, Ark., on the one hand, and, on the other, points in the United States (except Alaska and Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark., or Washington, D.C.

No. MC 25798 (Sub-No. 167), filed December 18, 1967. Applicant: CLAY HYDER TRUCKING LINES, INC., 502 East Bridgers Avenue, Post Office Box 1186, Auburndale, Fla. 33823. Applicant's representative: Tony G. Russell (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products and meat byproducts and articles distributed by meat packinghouses*, as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk, in tank vehicles), from Le Mars, Iowa, to points in Alabama, Florida, Georgia, Kentucky, North Carolina, South Carolina, and Tennessee. NOTE: Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Omaha, Nebr., or Des Moines, Iowa.

No. MC 31208 (Sub-No. 8), filed December 19, 1967. Applicant: H. T. RATCLIFF, 430 Russell Road, Abingdon, Va. 24210. Applicant's representative: R. R. Rush, Shenandoah Building, Post Office Box 614, Roanoke, Va. 24004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wooden rails, posts and gates*, from Clinchburg, Va., to points in the United States on and east of a line beginning at the mouth of the Mississippi River, and extending along the Mississippi River to its junction with the western boundary of Itasca County, Minn., thence northward along the western boundary of Itasca and Koochiching Counties, Minn., to the international boundary line between the United States and Canada, and points in Louisiana, Texas, Arkansas, Missouri, Kansas, Iowa, Minnesota, Nebraska, and Oklahoma. NOTE: If a hearing is deemed necessary, applicant does not specify a location.

No. MC 31321 (Sub-No. 10), filed December 8, 1967. Applicant: SOUTHWESTERN TRANSFER COMPANY, INC., 1730 Bassett Avenue, Post Office Box 1611, El Paso, Tex. 79948. Applicant's representative: Joe G. Fender, 802 Houston First Savings Building, 711 Fannin, Houston, Tex. 77002. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such commodities* as require special handling or special equipment by reason of size or weight, and *commodities* which do not require special handling or the use of special equipment when moving in the same shipment on the same bill of lading and for the same consignee as commodities which, because of size or weight, require special handling or the use of special equipment, between points in Colorado and New Mexico. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo.

No. MC 41404 (Sub-No. 75), filed December 18, 1967. Applicant: ARGO-COLLIER TRUCK LINES CORPORATION, Post Office Box 440, Fulton Highway, Martin, Tenn. 38237. Applicant's representative: Tom D. Copeland (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat byproducts, and articles distributed by meat packinghouses*, as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk), in mechanically refrigerated trailers, from the plantsite and warehouse facilities of Reelfoot Packing Co., at Union City and Humboldt, Tenn., to points in Illinois and Michigan. NOTE: If a hearing is deemed necessary, applicant requests it be held at Memphis or Nashville, Tenn.

No. MC 43508 (Sub-No. 3), filed December 13, 1967. Applicant: COLUMBIA VAN LINES, INC. OF CALIFORNIA, 3805 Columbia Street, Torrance, Calif. 90503. Applicant's representative: Alan F. Wohlstetter, 1 Farragut Square South, Washington, D.C. 20006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Los Angeles, Orange, San Diego, Riverside, Imperial, San Bernardino, Kern, Ventura, Santa Barbara, San Luis Obispo, San Francisco, Marin, Alameda, San Mateo, Napa, Sonoma, Solano, Yolo, Contra Costa, Sacramento, San Joaquin, Stanislaus, Santa Clara, and Santa Cruz Counties, Calif., restricted to shipments having a prior or subsequent movement beyond said points in containers, and further restricted to pickup and delivery services incidental to and in connection with packing, crating, and containerization, or unpacking, uncrating, and decontainerization of such shipments. NOTE: If a hearing is deemed necessary, applicant requests it be held at Los Angeles, Calif.

No. MC 44592 (Sub-No. 25), filed December 15, 1967. Applicant: MIDDLE ATLANTIC TRANSPORTATION CO., INC., 976 West Main Street, New Britain, Conn. 06050. Applicant's representative: William Biederman, 280 Broadway, New York, N.Y. 10007. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except articles of unusual value, classes A and B explosives, commodities in bulk, commodities injurious or contaminating to other lading, and household goods as defined by the Commission), serving all off-route points in Massachusetts in connection with applicant's presently held authorized regular-route authority between Boston and Pittsfield, Mass. (from Boston over Massachusetts Highway 9 to Worcester, thence over U.S. Highway 20 to Springfield, thence over U.S. Highway 5 to Northampton, thence over Massachusetts Highway 9 to Pittsfield, and return over the same route). NOTE: Applicant states by the instant application it seeks to change its gateway. If a hearing is deemed necessary, applicant requests it be held at New York, N.Y., Washington, D.C., or Boston, Mass.

No. MC 45736 (Sub-No. 32) (Clarification), filed November 22, 1967, published FEDERAL REGISTER issue of December 14, 1967, and republished as clarified this issue. Applicant: GUIGNARD FREIGHT LINES, INC., Highway 21 North, Post Office Box 26067, Charlotte, N.C. 28213. Applicant's representative: W. D. Turner, Sr., 1415 East Boulevard, Post Office Box 3715, Charlotte, N.C. 28203. Authority sought to operate as a *common carrier*, by motor

vehicle, over irregular routes, transporting: *Roofing and roofing materials, siding and siding materials,* from Charleston, S.C., to points in North Carolina on and west of U.S. Highway 1, and points in Virginia. NOTE: Applicant states its authority includes almost the entire territory sought under this application except the two counties located on the eastern shore of Virginia. With the exception of the specific authority granted applicant in Sub 14 including "to points in that part of Virginia east of a line beginning at the North Carolina-Virginia State line and extending in a northerly direction along U.S. Highway 1 to Richmond, Va., thence in a northerly direction along U.S. Highway 301 to the Virginia-Maryland State line," applicant's authority requires that traffic from Charleston, S.C., be transported through the gateway of Concord, N.C., and the granting of this application would eliminate the gateway requirement on this commodity. Applicant further states should the application as filed be granted, Sub 14 would be a duplication in part and should be canceled. The purpose of this republication is to clarify the note description. If a hearing is deemed necessary, applicant requests it be held at Charlotte, N.C.

No. MC 52054 (Sub-No. 27), filed December 11, 1967. Applicant: S & C TRANSPORT COMPANY, INC., 65 State Street, South Hutchinson, Kans. 67501. Applicant's representative: James F. Miller, 7501 Mission Road, Shawnee Mission, Kans. 66208. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: (1) *Food stuffs,* (a) from Hutchinson, Kans., to points in Arkansas, Colorado, Nebraska, South Dakota, North Dakota, Texas, and Oklahoma; and (b) from La Junta, Colo., to Hutchinson, Kans., and (2) *glass, glass bottles, glass containers and glassware,* from Okmulgee and Muskogee, Okla., to Wichita and Hutchinson, Kans. NOTE: If a hearing is deemed necessary, applicant requests it be held at Wichita or Hutchinson, Kans.

No. MC 52629 (Sub-No. 66), filed December 15, 1967. Applicant: HUBER & HUBER MOTOR EXPRESS, INC., Post Office Box 1000, Staunton, Va. 24401. Applicant's representative: James W. Lawson, 1000 16th Street NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier,* by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, and commodities requiring special equipment), serving Salem, Ind., as an off-route point in connection with applicant's presently held authorized regular route authority over U.S. Highway 31. NOTE: If a hearing is deemed necessary, applicant requests it be held at Indianapolis, Ind., or Louisville, Ky.

No. MC 52657 (Sub-No. 658), filed December 13, 1967. Applicant: ARCO AUTO CARRIERS, INC., 2140 West 79th Street, Chicago, Ill. 60620. Applicant's representative: A. J. Bieberstein, 121 West Doty Street, Madison, Wis. 53703. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: (1) *Trailers and trailer chassis* (except those designed to be drawn by passenger automobiles), in initial truckaway service and (2) *materials, supplies, and parts* used in the manufacture, assembly, or servicing of trailers and trailer chassis, from Holland, Mich., to points in the United States, including Alaska, but excluding Hawaii, and *returned shipments,* on return. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Detroit, Mich.

No. MC 52709 (Sub-No. 298), filed December 21, 1967. Applicant: RINGSBY TRUCK LINES, INC., 3201 Ringsby Court, Denver, Colo. 80216. Applicant's representative: Eugene Hamilton (same address as applicant). Authority sought to operate as a *common carrier,* by motor vehicle, over regular and irregular routes, transporting: *General commodities,* regular route: Serving the plantsite of American Telephone & Telegraph Co. Coaxial Building located in Platte County, Wyo., approximately 22 miles southwest of Wheatland, Wyo., on Wyoming Highway 34, in connection with applicant's regular route operations. Irregular route: Between Wheatland, Wyo., and the plantsite of American Telephone & Telegraph Co. Coaxial Building located in Platte County, Wyo., approximately 22 miles southwest of Wheatland, Wyo., on Wyoming Highway 34. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo.

No. MC 59367 (Sub-No. 54) (Amendment), filed November 24, 1967, published FEDERAL REGISTER issue of December 14, 1967, and republished, as amended, this issue. Applicant: DECKER TRUCK LINE, INC., Post Office Box 915, Fort Dodge, Iowa 50501. Applicant's representative: William A. Landau, 1451 East Grand Avenue, Des Moines, Iowa 50306. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Foodstuffs,* from Fort Dodge, Iowa, to points in Iowa, Minnesota, Nebraska, North Dakota, and South Dakota. NOTE: The purpose of this republication is to add the State of Iowa as a destination point, thereby, broadening the application. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 75320 (Sub-No. 137), filed December 15, 1967. Applicant: CAMPBELL SIXTY-SIX EXPRESS, INC., Post Office Box 807, Springfield, Mo. 65801. Applicant's representative: Harold D. Miller, Jr., 700 Petroleum Building, Post Office Box 22567, Jackson, Miss. 39205. Authority sought to operate as a *common carrier,* by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), (1) between Memphis, Tenn., and Natchez, Miss., over U.S. Highway 61, serving no intermediate points, as an alternate route for operating convenience only, (2) between Clarksdale, Miss., and the intersection of U.S. Highways 49E and 82 near Greenwood, Miss., over U.S. Highways 49 and 49E serving no intermediate points, as an alternate route for operating convenience only, serving Clarksdale as a point of joinder only, (3) between Jackson, Miss., and the intersection of U.S. Highways 49E and 82 near Greenwood, Miss., over U.S. Highways 49 and 49E, serving no intermediate points, as an alternate route for operating convenience only, (4) between Kosciusko, Miss., and the intersection of U.S. Highway 49 and Mississippi Highway 35 at or near Mount Olive, Miss., over Mississippi Highway 35, serving no intermediate points, as an alternate route for operating convenience only, serving the termini of said route as points of joinder only, (5) between junction Louisiana Highways 38 and 43 and junction Louisiana Highways 10 and 67, from junction Louisiana Highways 38 and 43 at Easleyville, La., over Louisiana Highway 38 to junction Louisiana Highways 38 and 10, and thence over Louisiana Highway 10 to junction Louisiana Highways 10 and 67 near Clinton, La., and return over the same route, serving no intermediate points, as an alternate route for operating convenience only, and serving the termini of said route as points of joinder only, and (6) between Carrollton and Vaiden, Miss., over Mississippi Highway 35, serving no intermediate points, as an alternate route for operating convenience only. NOTE: If a hearing is deemed necessary, applicant requests it be held at Jackson, Miss.

No. MC 76436 (Sub-No. 33), filed December 4, 1967. Applicant: SKAGGS TRANSFER, INC., 2400 Ralph Avenue, Louisville, Ky. 40216. Applicant's representative: Rudy Yessin, Post Office Box 457, Frankfort, Ky. 40601. Authority sought to operate as a *common carrier,* by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), (1) between Hopkinsville, Ky. and Memphis, Tenn., from Hopkinsville over U.S. Highway 41–A to New Providence, Tenn., thence over U.S. Highway 79 to Milan, Tenn., thence over U.S. Highway 45E to junction U.S. Highway 45, thence over U.S. Highway 45 to junction Interstate Highway 40, thence over Interstate Highway 40 to junction Interstate 240, thence over Interstate Highway 240 to Memphis, and return over the same route, serving the intermediate points of New Providence and Paris, Tenn., for purposes of joinder only, (2) between New Providence, Tenn. and junction Kentucky Highway 102 and U.S. Highway 79, located at or near Allensville, Ky., over U.S. Highway 79, serving no intermediate points and serving New Providence, Tenn., for purposes of joinder only, (3) between Madisonville, Ky. and Paris, Tenn., from Madisonville over U.S. Highway 41 to

junction U.S. Highway 62, thence over U.S. Highway 62 to junction U.S. Highway 641, thence over U.S. Highway 641 to Paris, Tenn., and return over the same route, serving the intermediate points of Dawson Springs and Princeton, Ky., and serving junction U.S. Highways 41 and 62, Paris, Tenn. and junction Kentucky Highway 80 and U.S. Highway 641 for purposes of joinder only.

(4) Between Hopkinsville, Ky., and junction Kentucky Highway 80 and U.S. Highway 641; from Hopkinsville over U.S. Highway 68 to Aurora, Ky., thence over Kentucky Highway 80 to junction U.S. Highway 641, and return over the same route, serving the intermediate point of Cadiz, Ky., and serving junction Kentucky Highway 80 and U.S. Highway 641 for purposes of joinder only, and (5) between junction U.S. Highways 41 and 62 and Hopkinsville, Ky., over U.S. Highway 41, serving no intermediate points for purposes of joinder only. NOTE: Applicant states service at Memphis, Tenn., and points in its commercial zone is restricted against the handling of traffic originating at, or destined to, or interchanged at Evansville, Ind., and points in its commercial zone, Nashville, Tenn., Louisville, Ky., Bowling Green, Ky., Franklin, Ky., and Glasgow, Ky., and points in their respective commercial zones. Further restricted against serving any point in the Memphis, Tenn., commercial zone located in Arkansas or Mississippi. If a hearing is deemed necessary, applicant requests it be held at Louisville or Bowling Green, Ky.

No. MC 83835 (Sub-No. 55), filed December 14, 1967. Applicant: WALES TRUCKING COMPANY, a corporation, Post Office Box 6186, Dallas, Tex. 75222. Applicant's representative: James W. Hightower, 136 Wynnewood Professional Building, Dallas, Tex. 75224. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) (a) *Material handling equipment; winches; compaction and road making equipment, rollers, self-propelled and non-self-propelled; mobile cranes; and highway freight-trailer*, and (b) *parts, attachments and accessories* for the commodities described in (1) (a) above, between the plants of the Hyster Co. located at or near Danville, Kewanee, and Peoria, Ill., on the one hand, and, on the other, points in Colorado, Kansas, Louisiana, Missouri, Nebraska, New Mexico, Oklahoma, and Texas, and (2) (a) *lift trucks*, and (b) *parts, attachments and accessories* for lift trucks between the plantsites of Allis-Chalmers Manufacturing Co. located at or near Harvey, Ill., on the one hand, and, on the other, points in Texas, restricted to the handling of traffic originating at or destined to the named plantsites in Nos. (1) and (2) above. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Kansas City, Mo.

No. MC 94350 (Sub-No. 182), filed December 11, 1967. Applicant: TRANSIT HOMES, INC., Haywood Road at Transit Drive, Post Office Box 1628, Greenville, S.C. 29602. Applicant's representative: Mitchell King, Jr. (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* designed to be drawn by passenger automobiles, in initial movements, in truckaway service, from points in Mecklenburg County, Va., to points in Louisiana, Minnesota, Wisconsin, Illinois, Indiana, Michigan, Ohio, Kentucky, Tennessee, Mississippi, Alabama, Georgia, Florida, Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, Maryland, Delaware, West Virginia, North Carolina, South Carolina, New Jersey, and the District of Columbia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Richmond, Va., or Washington, D.C.

No. MC 95876 (Sub-No. 77), filed December 14, 1967. Applicant: ANDERSON TRUCKING SERVICE, INC., 203 Cooper Avenue North, St. Cloud, Minn. Applicant's representative: Val M. Higgins, 1000 First National Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Structural steel, fabricated steel and steel buildings*, from Superior, Wis., and Duluth, Minn., to points in Colorado, Illinois, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, and Wyoming. NOTE: If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn.

No. MC 95876 (Sub-No. 78), filed December 13, 1967. Applicant: ANDERSON TRUCKING SERVICE, INC., 203 Cooper Avenue North, St. Cloud, Minn. Applicant's representative: Grant J. Merritt, 1000 First National Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Building materials, wallboard, pulpboard, hardboard, insulation and insulation materials, and materials and accessories used in the installation of wallboard, pulpboard, hardboard, insulation and insulation materials*, from Alliance, Ohio, to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, D.C., and West Virginia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn.

No. MC 101010 (Sub-No. 23), filed December 15, 1967. Applicant: ERIE-LACKAWANNA RAILROAD CO., a corporation, 101 Prospect Avenue NW., Cleveland, Ohio 44115. Applicant's representative: J. T. Clark, 1336 Midland Building, Cleveland, Ohio 44115. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except commodities requiring special equipment, commodities in bulk, household goods as defined by the Commission, and commodities of unusual value, in substituted motor-for-rail service), between Lima, Ohio, and Huntington, Ind.; from Lima over Ohio Highway 81 to Wilshire, Ohio, thence over U.S. Highway 33 to Decatur, Ind., thence over U.S. Highway 224 to Huntington, and return over the same route, serving all intermediate points which are stations on applicant's railroad, namely, Converse and Elgin, Ohio, and Decatur, Preble, Tocsin, Kingsland, Uniondale, and Markle, Ind., and the off-route points of Kemp, Spencerville, Ohio City, Genmore, and Wren, Ohio, and Simpson, Ind. NOTE: Applicant states the substituted motor-for-rail authority is to be restricted so as to be subject to the following conditions: (1) The service to be performed by carrier shall be limited to service which is auxiliary to or supplemental of rail service, (2) carrier shall not serve, or interchange traffic at, any point not a station on its rail lines, and (3) shipments transported by carrier by motor vehicle shall be limited to those which it receives from or delivers to, its rail lines under a through bill of lading covering, in addition to a motor carrier movement by carrier, an immediately prior or immediately subsequent movement by rail. If a hearing is deemed necessary, applicant requests it be held at Lima, Ohio, or Huntington, Ind.

No. MC 101219 (Sub-No. 48), filed December 6, 1967. Applicant: MERIT DRESS DELIVERY, INC., 524 West 36th Street, New York, N.Y. 10018. Applicant's representative: Herman B. J. Weckstein, 1060 Broad Street, Newark, N.J. 07107. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wearing apparel*, on hangers, and *wearing apparel* in cartons when moving in the same vehicle and at the same time with shipments of wearing apparel on hangers, between New York, N.Y., on the one hand, and, on the other, Augusta, Bangor, Brewer, Lewiston, Presque, and Waterville, Maine. NOTE: Applicant states that tacking could take place at New York, N.Y., in conjunction with its present authority, whereas it is authorized to operate in the States of Massachusetts, Rhode Island, Connecticut, New York, Maine, Pennsylvania, New Hampshire, New Jersey, and West Virginia. If a hearing is deemed necessary, applicant requests it be held at New York, N.Y.

No. MC 107012 (Sub-No. 75), filed November 20, 1967. Applicant: NORTH AMERICAN VAN LINES, INC., Post Office Box 988, Fort Wayne, Ind. 46801. Applicant's representative: Martin A. Wissert (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture, and store and office fixtures and equipment*, between points in Greene and Craighead Counties, Ark., on the one hand, and, on the other, points in the United States (except Alaska and Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark., or Washington, D.C.

No. MC 107295 (Sub-No. 114), filed December 18, 1967. Applicant: PREFAB TRANSIT CO., a corporation, 100 South Main Street, Farmer City, Ill. 61842. Applicant's representative: Mack

Stephenson, 42 Fox Mill Lane, Springfield, Ill. 62707. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Building material* as described in appendix VI to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, 279, *wallboard, fiberboard, pulpboard, strawboard, paneling, hardboard, insulating and padding and cushioning materials, mulch, firewood, and nonwoven fabrics*, from Cloquet, Minn., to points in Florida, Maine, New Hampshire, Connecticut, Delaware, Rhode Island, Nebraska, Kansas, Oklahoma, Texas, Iowa, Maryland, Massachusetts, New Jersey, Vermont, District of Columbia, Minnesota, Missouri, Arkansas, Louisiana, Mississippi, Tennessee, Wisconsin, Illinois, Indiana, Michigan, Ohio, Kentucky, Alabama, Georgia, Pennsylvania, New York, West Virginia, Virginia, North Carolina, and South Carolina. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

No. MC 107496 (Sub-No. 610), filed December 15, 1967. Applicant: RUAN TRANSPORT CORPORATION, Keosauqua at Third, Post Office Box 855, Des Moines, Iowa 50304. Applicant's representative: H. L. Fabritz (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Corn products*, in bulk, in tank- or hopper-type vehicles, from Danville, Ill., to points in Indiana, Michigan, Minnesota, Missouri, Nebraska, and Wisconsin. NOTE: If a hearing is deemed necessary, applicant requests it be held at Des Moines, Iowa, or Chicago, Ill.

No. MC 107496 (Sub-No. 612), filed December 15, 1967. Applicant: RUAN TRANSPORT CORPORATION, Keosauqua Way at Third, Post Office Box 855, Des Moines, Iowa 50304. Applicant's representative: H. L. Fabritz (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Salt*, in bulk, from Rock Island, Ill., to points in Iowa. NOTE: If a hearing is deemed necessary, applicant requests it be held at Des Moines, Iowa, or Kansas City, Mo.

No. MC 107496 (Sub-No. 613), filed December 18, 1967. Applicant: RUAN TRANSPORT CORPORATION, Keosauqua at Third, Post Office Box 855, Des Moines, Iowa 50304. Applicant's representative: H. L. Fabritz (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cement mixed with sand and/or aggregate*, from Memphis, Tenn., to points in Alabama, Mississippi, Arkansas, Kentucky, and Louisiana. NOTE: Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn., or Des Moines, Iowa.

No. MC 108398 (Sub-No. 36); filed December 15, 1967. Applicant: RINGSBY-PACIFIC LTD., a corporation, 3201 Ringsby Court, Denver, Colo. 80216. Applicant's representative: Eugene Hamilton (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Commodities requiring special equipment, also commodities not requiring special equipment* when they are a part of a shipment containing commodities requiring special equipment, between points in California, Nevada, Oregon, and Washington. NOTE: If a hearing is deemed necessary, applicant requests it be held at Fresno, Calif.

No. MC 109265 (Sub-No. 20), filed December 14, 1967. Applicant: W. L. MEAD, INC., Post Office Box 31, Norwalk, Ohio 44857. Applicant's representative: James Muldoon, 50 West Broad Street, Columbus, Ohio 43215. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, dangerous explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Attica and Lima, Ohio, from Attica over U.S. Highway 224 to junction Interstate Highway 75, thence over Interstate Highway 75 to Lima, as an alternate route, for operating convenience only, serving no intermediate points. NOTE: If a hearing is deemed necessary, applicant requests it be held at Columbus or Cleveland, Ohio, or Washington, D.C.

No. MC 109482 (Sub-No. 12), filed December 6, 1967. Applicant: BESTWAY FREIGHT LINES, INC., 500 South Western, Post Office Box 1802, Oklahoma City, Okla. 73101. Applicant's representative: W. T. Brunson, 419 Northwest Sixth Street, Oklahoma City, Okla. 73102. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, and except dangerous explosives, household goods as defined in Practices of Motor Common Carriers of Household Goods, 17 M.C.C. 467, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), between Dallas and Ft. Worth, Tex., and Lawton, Ft. Sill, Anadarko, Weatherford, Clinton, Elk City, Sayre, Mangum, Altus, Snyder, Hobart, and Cordell, Okla., (1) from Dallas, Tex., over Texas Highway 114 to its intersection with U.S. Highway 287, (2) from Dallas over Interstate Highway 20 and U.S. Highway 80 to their intersections with U.S. Highway 287, thence over U.S. Highway 287 from either such intersection to Wichita Falls, Tex., thence over U.S. Highway 281 and the parallel H. E. Bailey Turnpike in Oklahoma to Lawton, Okla., thence over U.S. Highway 281 to its intersection with U.S. Highway 66 and Interstate Highway 40 at or near Hinton, Okla., thence over U.S. Highway 66 and Interstate Highway 40 to their intersection with U.S. Highway 283 at or near Sayre, Okla., thence over U.S. Highway 283 to Altus, Okla., thence over U.S. Highway 62 to Lawton, Okla., and (3) from Wichita Falls, Tex., over U.S. Highway 287 to its intersection with U.S. Highway 183 at or near Vernon, Tex., thence over U.S. Highway 183 to its intersection with Interstate Highway 40 and U.S. Highway 66 at or near Clinton, Okla., and return over the same route. Restriction: The routes described above are subject to the following restrictions: (1) Restricted against the handling of shipments between Dallas and Ft. Worth, and their respective commercial zone, and Oklahoma City, Okla., and its commercial zone, and (2) any two points in Texas on the above routes. NOTE: Applicant states that it proposes to tack the above sought authority with its presently held authority in MC 109482, excepted as restricted herein. If a hearing is deemed necessary, applicant requests it be held at Lawton and Altus, Okla.

No. MC 110420 (Sub-No. 557), filed December 13, 1967. Applicant: QUALITY CARRIERS, INC., 100 South Calumet Street, Burlington, Wis. 53105. Applicant's representative: Allan B. Torhorst, Post Office Box 339, Burlington, Wis. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Products of corn, products of soy beans, and blends*, in bulk, from Decatur, Ill., to points in the United States, except Alaska and Hawaii. NOTE: Applicant states it could tack at Chicago and Pekin, Ill., and Indianapolis, Ind., serving the same points requested. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo.

No. MC 112801 (Sub-No. 77), filed December 18, 1967. Applicant: TRANSPORT SERVICE CO., a corporation, Post Office Box 50272, Cicero Station, Chicago, Ill. 60650. Applicant's representative: Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Products of corn, products of soy beans, and blends*, in bulk, from Decatur, Ill., to points in the United States (except Alaska and Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo.

No. MC 113325 (Sub-No. 121), filed December 21, 1967. Applicant: SLAY TRANSPORTATION CO., INC., 2001 South Seventh Street, St. Louis, Mo. 63104. Applicant's representative: T. M. Tahan (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry animal and poultry feed ingredients*, (1) from Dubuque, Iowa to points in Illinois, Minnesota, Nebraska, North Dakota, South Dakota, and Wisconsin, (2) from Memphis, Tenn., to points in Arkansas, Kentucky, Mississippi, Missouri, Illinois, and Kansas, and (3) from Omaha, Nebr., to points in Colorado, Iowa, Kansas, Missouri, Oklahoma, North Dakota, South Dakota, and Wyoming. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or St. Louis, Mo.

No. MC 113624 (Sub-No. 39), filed December 21, 1967. Applicant: WARD TRANSPORT, INC., Post Office Box 133, Pueblo, Colo. Applicant's representative:

Marion F. Jones, 420 Denver Club Building, Denver, Colo. 80202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Chemicals and fertilizers*, from Lincoln, Nebr., to points in Colorado, Iowa, Kansas, Missouri, South Dakota, and Wyoming. NOTE: If a hearing is deemed necessary, applicant requests it be held at Sioux City, Iowa, Omaha or Lincoln, Nebr.

No. MC 113666 (Sub-No. 27), filed December 11, 1967. Applicant: FREEPORT TRANSPORT, INC., 1200 Butler Road, Freeport, Pa. 16229. Applicant's representative: Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Melamine*, in bulk, from the port of entry on the international boundary line between the United States and Canada located at Buffalo and Niagara Falls, N.Y., to Wallingford, Conn., (2) *Melamine*, in containers, from the port of entry on the international boundary line between the United States and Canada located at Buffalo and Niagara Falls, N.Y., to points in Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia, (3) *Dicyandiamide, guanadine nitrate and amino triazole*, in bulk, and in containers, from the port of entry on the international boundary line between the United States and Canada located at Buffalo and Niagara Falls, N.Y., to points in Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia, (4) *Melamine, dicyandiamide, guanadine nitrate and amino triazole*, in bulk, in containers, from the port of entry on the international boundary line between the United States and Canada located at Detroit and Port Huron, Mich., to points in Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Ohio, Texas, and Wisconsin, and (5) *Urea*, in bulk, in containers, from the port of entry of the international boundary line between the United States and Canada located at Detroit and Port Huron, Mich., to points in Kansas and Nebraska. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or New York, N.Y.

No. MC 113678 (Sub-No. 304), filed December 14, 1967. Applicant: CURTIS, INC., 770 East 51st Avenue, Denver, Colo. 80216. Applicant's representative: Richard A. Peterson, Box 806, Lincoln, Nebr. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Meats, meat products, meat byproducts and articles distributed by meat packinghouses*, and (2) *frozen foods and salad dressing when moving in the same vehicle with meats, meat products, meat byproducts and articles distributed by meat packinghouses*, from Denver, Colo., to points in Illinois (except Chicago), and Sioux City, Iowa, and those points in Iowa on and east of U.S. Highway 169. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo.

No. MC 113678 (Sub-No. 305), filed December 15, 1967. Applicant: CURTIS, INC., 770 East 51st Avenue, Denver, Colo. 80216. Applicant's representative: Duane W. Acklie, Post Office Box 806, Lincoln, Nebr. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Building materials, floor coverings and tile products*, from Kankakee, Ill., to points in Iowa, Wyoming, Missouri, Nebraska, Kansas, Oklahoma, and Colorado. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo.

No. MC 114019 (Sub-No. 183), file December 11, 1967. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Carl L. Steiner, 39 South La Salle Street, Chicago, Ill. 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Products of corn and products of soybeans and blends*, in bulk from Decatur, Ill., to points in the United States (except Alaska and Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 114364 (Sub-No. 146) (Amendment), filed October 9, 1967, published FEDERAL REGISTER issue October 19, 1967, and republished, as amended this issue. Applicant: WRIGHT MOTOR LINES, INC., Post Office Box 1191, 1401 North Little, Cushing, Okla. 74023. Applicant's representative: Marion F. Jones, 420 Denver Club Building, Denver, Colo. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glass or plastic containers, glassware, plasticware, caps, covers, tops, corrugated paper boxes or containers*, (1) from Muskogee, Okla., to points in Texas and Wyoming and that part of Colorado on and east of U.S. Highway 87, and (2) from Ada, Okla., to points in Arkansas, Texas, and Wyoming. NOTE: The purpose of this republication is to add the words "and that part of Colorado on and east of U.S. Highway 87" thereby broadening the scope of the application in No. (1) above. If a hearing is deemed necessary, applicant requests it be held at Oklahoma City, Okla., or Kansas City, Mo.

No. MC 114364 (Sub-No. 156), filed December 14, 1967. Applicant: WRIGHT MOTOR LINES, INC., Post Office Box 1191, 1401 North Little, Cushing, Okla. 74023. Applicant's representative: Marion F. Jones, 420 Denver Club Building, Denver, Colo. 80202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Beet pulp pellets*, from Rocky Ford, Colo., to points in New Mexico and Texas. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo.

No. MC 115162 (Sub-No. 151), filed December 13, 1967. Applicant: WALTER POOLE, doing business as POOLE TRUCK LINE, Post Office Box 310, Evergreen, Ala. 36401. Applicant's representative: Robert E. Tate, Suite 2023–2028, City Federal Building, Birmingham, Ala. 35203. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Particleboard*, from the plantsites of Georgia-Pacific Corp. at or near Louisville, Miss., to points in Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee, Michigan, Illinois, Indiana, Ohio, Kentucky, Virginia, West Virginia, Connecticut, Massachusetts, Rhode Island, New Hampshire, Pennsylvania, Wisconsin, Louisiana, Arkansas, and Missouri. NOTE: If a hearing is deemed necessary, applicant requests it be held at Birmingham, Ala., or Washington, D.C.

No. MC 115841 (Sub-No. 321), filed December 20, 1967. Applicant: COLONIAL REFRIGERATED TRANSPORTATION, INC., 1215 Bankhead Highway West, Post Office Box 2169, Birmingham, Ala. 35201. Applicant's representative: C. E. Wesley (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Foods, foodstuffs, and food preparations, items used and dealt in by ice cream and confectionery stores and stands* (except in bulk in tank vehicles), *including advertising, premiums, and display racks*, from Chicago, Ill., and points in its commercial zone as defined by the Commission, points in Kane, Cook, Du Page, Kendall, and Will Counties, Ill., and points in Lake and Porter Counties, Ind., to points in Oklahoma, Texas, Arkansas, Missouri, Kentucky, Tennessee, Louisiana, Alabama, Mississippi, Georgia, North Carolina, South Carolina, and Virginia. NOTE: Applicant states it could tack at Birmingham, Ala., to serve points in Florida. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 117384 (Sub-No. 1), filed December 4, 1967. Applicant: PAUL E. DAVIDSON, MAHLON E. DAVIDSON, AND HAROLD DAVIDSON, JR., a partnership, doing business as DAVIDSON BROTHERS, Rural Delivery 3, Bellefonte, Pa. 16823. Applicant's representative: William P. Sullivan, Federal Bar Building West, 1819 H Street NW., Washington, D.C. 20006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lime, limestone, limestone products, concrete mix, sand mix, and mortar mix*, from points in Tredyffrin, Charlestown, and East Whiteland Townships, Pa., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Rhode Island, South Carolina, Vermont, and Virginia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 118282 (Sub-No. 12), filed December 18, 1967. Applicant: NURSERYMAN SUPPLY, INC., 6801 Northwest 74th Avenue, Miami, Fla. Applicant's representative: Guy H. Postell, 1273 West Peachtree Street NW., Atlanta, Ga. 30309. Authority sought to operate as a *common carrier*, by motor

vehicle, over irregular routes, transporting: *Food stuffs*, from Winchester, Va., and points in Adams County, Pa., to points in Florida and Georgia. NOTE: Applicant holds contract carrier authority under MC 125811 and (Sub-No. 5), therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Atlanta, Ga.

No. MC 118959 (Sub-No. 31), filed December 17, 1967. Applicant: JERRY LIPPS, INC., 130 South Frederick Street, Cape Girardeau, Mo. 63701. Applicant's representative: A. S. Dunn (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Rubber*, from Vicksburg, Miss., to points in Alabama, Arkansas, California, Connecticut, Georgia, Iowa, Kentucky, Michigan, Maryland, North Carolina, New Jersey, New York, Ohio, South Carolina, Tennessee, and Texas, and (2) *equipment, material* and *supplies used or useful in the processing of rubber*, from the above described destination States to Vicksburg, Miss. NOTE: Applicant holds contract carrier authority in MC 125664, therefore dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., or Jackson, Miss.

No. MC 119305 (Sub-No. 6), filed December 19, 1967. Applicant: C. ROBERT NATTRESS AND DONALD NATTRESS, a partnership, doing business as B & D TRUCKING SERVICE, 33 West Garfield Avenue, Norwood, Delaware County, Pa. Applicant's representative: Ralph C. Busser, Jr., 1710 Locust Street, Philadelphia, Pa. 19103. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Fresh bakery products*, from Philadelphia, Pa., to Wilmington and Newark, Del., under contract with Tasty Baking Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Philadelphia, Pa.

No. MC 119531 (Sub-No. 76), filed December 11, 1967. Applicant: DIECKBRADER EXPRESS, INC., 5391 Wooster Road, Cincinnati, Ohio 45226. Applicant's representative: Charles W. Singer, 33 North Dearborn Street, Suite 1625, Chicago, Ill. 60602. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Metal containers, covers, and machinery, equipment, materials, and supplies*, used in the manufacture, sale and distribution of metal containers, from points in Hamilton County, Ohio, to points in Illinois, those in that part of Indiana on and north of U.S. Highway 30, the Lower Peninsula of Michigan, those in that part of New York on and west of a line beginning at Oswego and extending along New York Highway 57 to junction U.S. Highway 11, and thence along U.S. Highway 11 to the New York-Pennsylvania State line, those in that part of Pennsylvania on and west of U.S. Highway 219, and those in that part of Wisconsin on and south of U.S. Highway 16. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 119619 (Sub-No. 7), filed December 4, 1967. Applicant: DISTRIBUTORS SERVICE CO., a corporation, 2000 West 43d Street, Chicago, Ill. 60609. Applicant's representative: Arthur J. Piken and Samuel B. Zinder, 160–16 Jamaica Avenue, Jamaica, N.Y. 11432. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats (fresh and frozen), meat products, meat byproducts, packinghouse products and packinghouse byproducts*, (1) from points in Maryland, New York, New Jersey, Massachusetts, Connecticut, Rhode Island, Delaware, District of Columbia and points in Pennsylvania on and east of U.S. Highway 5 from the Maryland Pennsylvania State line to its intersection with the Pennsylvania-New York State line to points in Wisconsin, Illinois, Indiana, Michigan (Lower Peninsula), Ohio, Pittsburgh, Pa., Louisville, Ky., and St. Louis, Mo. and (2) from Chicago Ill., and Milwaukee, Green Bay, and Madison, Wis., to points in Maryland, New York, New Jersey, Massachusetts, Connecticut, Rhode Island, Delaware, District of Columbia and points in Pennsylvania on and east of U.S. Highway 5 from the Maryland-Pennsylvania State line to its intersection with the Pennsylvania-New York State line. NOTE: If a hearing is deemed necessary, applicant does not specify a location.

No. MC 119849 (Sub-No. 4), filed December 15, 1967. Applicant: DYE HAULING COMPANY, a corporation, Post Office Box 6117, Dallas, Tex. 75222. Applicant's representative: Dan Felts, The 904 Lavaca Building, Austin, Tex. 78701. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cement*, in bulk, from points in Louisiana to points in Texas. NOTE: If a hearing is deemed necessary, applicant requests it be held at Dallas, Tex., or Shreveport, La.

No. MC 119934 (Sub-No. 146), filed November 29, 1967. Applicant: ECOFF TRUCKING, INC., a corporation, 625 East Broadway, Fortville, Ind. 46040. Applicant's representative: Robert C. Smith, 620 Illinois Building, Indianapolis, Ind. 46204. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid fertilizer solutions and liquid fertilizer compounds*, from the plantsite of Smith-Douglass, division of the Borden Chemical Co., at or near Logansport, Ind., to points in Illinois, Kentucky, Michigan, Ohio, and Wisconsin. NOTE: Applicant holds contract carrier authority in MC 128161, therefore dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 121247 (Sub-No. 1), filed December 18, 1967. Applicant: BURKE MOVING & STORAGE, INC., 2116 Ames Avenue, Cheyenne, Wyo. 82001. Applicant's representative: Robert S. Stauffer, 1510 East 20th Street, Cheyenne, Wyo. 82001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Wyoming. NOTE: If a hearing is deemed necessary, applicant requests it be held at Cheyenne or Casper, Wyo.

No. MC 124078 (Sub-No. 309), filed December 11, 1967. Applicant: SCHWERMAN TRUCKING CO., a corporation, 611 South 28th Street, Milwaukee, Wis. 53246. Applicant's representative: James R. Ziperski (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cement*, from Milwaukee, Wis., to points in Rock Island, Mercer, Henry, Bureau, Putnam, La Salle, Kendall, Grundy, Will, Henderson, Warren, Knox, Stark, Peoria, Marshall, Woodford, Ford, Iroquois, and Kankakee Counties, Ill., and Lake, Porter, La Porte, and St. Joseph Counties, Ind. NOTE: Applicant states it would tack with its Sub 225 at Buffington, Ind., to serve points in Allegan, Barry, Berrien, Branch, Calhoun, Cass, Eaton, Hillsdale, Ingham, Jackson, Kalamazoo, Kent, Lenawee, Livingston, St. Joseph, Van Buren, and Washtenaw Counties, Mich. If a hearing is deemed necessary, applicant requests it be held at Dallas, Tex.

No. MC 124920 (Sub-No. 6), filed November 22, 1967. Applicant: LABAR'S, INC., Rural Delivery No. 1, U.S. Route 11, Berwick, Pa. Applicant's representative: Kenneth R. Davis, 310 Breck Street, Scranton, Pa. 18505. Authority sought to operate as *common carrier*, by motor vehicle, over irregular routes, transporting: (1) (a) *Fiberboard, paper, paperboard, or plastic milk or food containers and plastic wax*, from Berwick, Pa., to points in New York, New Jersey, Delaware, Maryland, Ohio, West Virginia, and Virginia, (b) *materials, supplies, machinery and equipment* used or useful in the manufacture of fiberboard, paper, paperboard, or plastic milk or food containers and plastic wax, from the above-specified destinations to Berwick, Pa., and (2) *fiberboard, paper, paperboard, or plastic milk or food containers and plastic wax, materials, supplies, machinery and equipment* used or useful in the manufacture of fiberboard, paper, paperboard or plastic milk or food containers and plastic wax, between the plantsite of New England Fabricating Co. located at Gardner, Mass. NOTE: Applicant states it currently holds authority in MC 124920 which duplicates in part the authority sought herein, and if the instant application is granted it will request revocation of such duplicating authority. If a hearing is deemed necessary, applicant requests it be held at Harrisburg, Pa.

No. MC 125297 (Sub-No. 4), filed December 15, 1967. Applicant: FRANK'S TRANSPORT, INC., 5321 West River Road, North, Elyria, Ohio. Applicant's representative: Paul F. Beery, 100 East Board Street, Columbus, Ohio 43215. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cement*, (1) from Dundee, Mich., to points in Pennsylvania, West Virginia, and Wayne, Stark, Ashtabula, Lorain, Geauga, Lake, Cuyahoga, Trumbull, Mahoning, and Portage Counties, Ohio, (2) from Independence (Cuyahoga County), Ohio, to

points in West Virginia, and (3) between points in Ohio, Indiana, Kentucky, Pennsylvania, and West Virginia, restricted to traffic having an immediately prior movement by rail or water carrier. NOTE: If a hearing is deemed necessary, applicant requests it be held at Columbus, Ohio.

No. MC 125686 (Sub-No. 3), filed November 30, 1967. Applicant: EAST COAST TRANSPORT COMPANY, a corporation, Post Office Box 1296, Goldsboro, N.C. Applicant's representative: J. Ruffin Bailey, Post Office Box 2246, Raleigh, N.C. 27602. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid fertilizer and liquid fertilizer materials*, in bulk, in tank vehicles, between points in Scotland and Robeson Counties, N.C., on the one hand, and, on the other, points in South Carolina. NOTE: If a hearing is deemed necessary, applicant requests it be held at Raleigh, N.C.

No. MC 126473 (Sub-No. 1), filed December 18, 1967. Applicant: HAROLD DICKEY TRANSPORT, INC., Packwood, Iowa 52580. Applicant's representative: William A. Landau, 1451 East Grand Avenue, Des Moines, Iowa 50306. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum and petroleum products*, in bulk, (1) from points in Dickinson County, Iowa, to points in Minnesota and South Dakota, and (2) from the Kaneb Pipe Line Co., terminal site located at or near Le Mars, Iowa, to points in Minnesota, Nebraska, and South Dakota. NOTE: If a hearing is deemed necessary, applicant requests it be held at Des Moines, Iowa.

No. MC 126537 (Sub-No. 15), filed December 18, 1967. Applicant: KENT I. TURNER, KENNETH E. TURNER AND ERVIN L. TURNER, doing business as TURNER EXPEDITING SERVICE, Post Office Box 21333, Standiford Field, Louisville, Ky. 40601. Applicant's representative: George M. Catlett, 703–706 McClure Building, Frankfort, Ky. 40601. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except classes A and B explosives, household goods as defined by the Commission, commodities in bulk, those requiring special equipment and those injurious or contaminating to other lading), between points in Boyle County, Ky., on the one hand, and, on the other, O'Hare Field, Chicago, Ill., restricted to shipments having an immediate prior or subsequent movement by air. NOTE: If a hearing is deemed necessary, applicant requests it be held at Louisville, Ky., or Cincinnati, Ohio.

No. MC 126550 (Sub-No. 4), filed December 18, 1967. Applicant: EDWARD B. HUTCHINSON, JR., doing business as FLINT TRUCKING, 7 Flint Street, Danvers, Mass. 01923. Applicant's representative: Mary E. Kelley, 10 Tremont Street, Boston, Mass. 02108. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Gluestock*, in bulk, in its own and shipper owned trailers, from Peabody, Mass., and Penacook, N.H., to Johnstown, N.Y., and (2) *shippers owned trailers*, (a) from Peabody, Mass., to Penacook, N.H., and (b) from Johnstown, N.Y., to Peabody, Mass. NOTE: If a hearing is deemed necessary, applicant requests it be held at Boston, Mass.

No. MC 127848 (Sub-No. 1), filed December 8, 1967. Applicant: WAYNE W. SELL CORPORATION, 236 Winfield Road, Sarver, Pa. 16055. Applicant's representative: Alan Kahn, 1920 Two Penn Center Plaza, Philadelphia, Pa. 19102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lime and lime products, limestone and limestone products, concrete mix, mortar mix, sand mix and masonry cement*, from the townships of Charlestown, East Whiteland, and Tredyffrin, Chester County, Pa., to points in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, and Virginia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Philadelphia, Pa.

No. MC 128138 (Sub-No. 2), filed December 18, 1967. Applicant: ATLANTIC-PACIFIC PILOT AND DRIVE EXCHANGE, INC., 609 Sutter Street, Suite 8, San Francisco, Calif. 94102. Applicant's representative: Marshall G. Berol, 100 Bush Street, 21st Floor, San Francisco, Calif. 94104. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Used automobiles and trucks* of three-quarter ton or less, in secondary movements, in casual driveaway service, with or without the baggage, pets, sporting equipment and personal effects of the owners thereof, between points in the United States (including Alaska and Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at San Francisco, Calif., or Honolulu, Hawaii.

No. MC 128497 (Sub-No. 2), filed December 11, 1967. Applicant: JACK LINK TRUCK LINE, INC., Dyersville, Iowa 52040. Applicant's representative: John Goen, Dyersville, Iowa 52040. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cracklings*, edible; *hide trimmings*, not frozen, and *animal hides*, from Manchester, Iowa, to Chicago and Waukegan, Ill.; Ashland, Ky.; Hazelwood, N.C.; Newport, Tenn.; Berlin, Cudahy, Fond du Lac, Milwaukee, South Milwaukee, and Ripon, Wis., and Newark, N.J. NOTE: Applicant holds contract carrier authority in MC 124807 and subs thereunder, therefore dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Des Moines, Iowa, Madison, Wis., or Chicago, Ill.

No. MC 128608 (Sub-No. 3), filed December 8, 1967. Applicant: M.D.I. TRUCKING CORP., 228 Oliver Building, Pittsburgh, Pa. 15222. Applicant's representative: Arthur J. Diskin, 806 Frick Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Formed metal building products; metals; and materials used in the manufacture of formed metal building products;* between the plantsite of Metal Deck, Inc. (Ohio), located in Oregon, Ohio, on the one hand, and, on the other, points in Maine, Vermont, New Hampshire, Connecticut, Massachusetts, Rhode Island, New York, Pennsylvania, Maryland, Delaware, Michigan, West Virginia, Indiana, Illinois, District of Columbia, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Tennessee, Kentucky, Louisiana, Arkansas, Missouri, Iowa, Minnesota, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Mississippi, Wisconsin, and New Jersey, under continuing contract with Metal Deck, Inc. (Ohio). NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Pittsburgh, Pa.

No. MC 128762 (Sub-No. 3), filed December 18, 1967. Applicant: P. L. LAWTON, INC., Post Office Box 325, Berwick, Pa. 18603. Applicant's representative: John M. Musselman, 400 North Third Street, Harrisburg, Pa. 17108. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Dairy equipment*, (2) *food and beverage processing and handling equipment*, (3) *dry materials mixing, processing, and handling equipment*; and (4) *parts, materials, and supplies used in the manufacture, installation, and use of commodities named in (1), (2) and (3) above*, between the plantsite of Girton Manufacturing Co., at Millville, Pa., on the one hand, and, on the other, points in Arizona, Arkansas, California, Colorado, Idaho, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, Pennsylvania, South Dakota, Texas, Utah, Washington, and Wyoming, under contract with Girton Manufacturing Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Harrisburg, Pa.

No. MC 128808 (Sub-No. 3), filed December 18, 1967. Applicant: JAKE ZOET, doing business as LEMARS FEED AND GRAIN, Highway 75 South, Post Office Box 125, LeMars, Iowa 51031. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Animal and poultry feed*, except in bulk, in tank vehicles, from Sioux City, Iowa, to points in North Dakota and Wyoming. NOTE: If a hearing is deemed necessary, applicant requests it be held at Sioux City, Iowa, or Omaha, Nebr.

No. MC 129121 (Sub-No. 2), filed December 14, 1967. Applicant: GEORGE W. CARMEAN, INC., Post Office Box 129, Georgetown, Del. 19947. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Bean harvesters*, between points in North Carolina, Virginia, Maryland, Delaware, Pennsylvania, New York, West Virginia, and the District of Columbia, under contract with Green Giant Co.,

Le Sueur, Minn. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Salisbury, Md.

No. MC 129387 (Sub-No. 2), filed November 13, 1967. Applicant: BILL PAYNE, doing business as BILL PAYNE TRUCKING CO., 413 15th Street West, Billings, Mont. 59102. Applicant's representative: John J. Tonnsen, Jr., 319 Securities Building, Billings, Mont. 59101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat products, and meat byproducts*, from points in Yellowstone County, Mont., to points in Illinois, Minnesota, Wisconsin, and Colorado. NOTE: If a hearing is deemed necessary, applicant requests it be held at Billings, Mont.

No. MC 129401 (Sub-No. 1), filed December 18, 1967. Applicant: JOE R. BRAWLEY, doing business as BRAWLEY TRANSPORTATION COMPANY, 944–C Davie Avenue, Statesville, N.C. 28677. Applicant's representative: H. Charles Ephraim, 1411 K Street NW., Washington, D.C. 20005. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Thermoplastic materials and compounds* (except in bulk), from Statesville, N.C., to Salinas, Calif.; Dalton, Ga.; Chicago, Ill.; Indianapolis, Ind.; Baltimore, Md.; Fairbo and Maple Plain, Minn.; Lincoln, Nebr.; New York and Rochester, N.Y.; Byesville and Canton, Ohio; Bloomsburg, Kingston, and Pittsburgh, Pa.; and Greenville, S.C., (2) *thermoplastic products* (except in bulk), from Statesville, N.C., to points in the United States (except Alaska and Hawaii), (3) *thermoplastic materials and compounds, and thermoplastic products* (except in bulk), from Statesville, N.C., to ports of entry on the international boundary line between the United States and Canada, restricted to traffic destined to Canada, (4) *equipment, materials, and supplies used in the fabrication of wooden bins* (except in bulk), from points in North Carolina to Winter Haven, Fla., (5) *materials used in the manufacture of thermoplastic materials, compounds, and products* (except in bulk), from Charleston and Greenville, S.C., and Freeport, Houston, Longview, Orange, and Texas City, Tex., to Statesville, N.C., and (6) *thermoplastic materials, thermoplastic products, and metal molds*, from Salinas, Calif.; Winter Haven, Fla.; Chicago, Ill.; and Winchester, Va.; to Statesville, N.C., for the account of Fusion Rubbermaid Corp. NOTE: If a hearing is deemed necessary, applicant requests it be held at Charlotte, N.C.

No. MC 129447 (Sub-No. 1), filed December 13, 1967. Applicant: W. G. DODD, doing business as BAYWOOD EXPRESS COMPANY, 1330 South Baywood Avenue, San Jose, Calif. 95128. Applicant's representative: Marvin Handler, 405 Montgomery Street, Suite 1401, San Francisco, Calif. 94104. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Chemicals*, dry in bulk, between points in California. NOTE: If a hearing is deemed necessary, applicant requests it be held at San Francisco, Calif.

No. MC 129573, filed December 4, 1967. Applicant: THIBODEAU EXPRESS LIMITED, a corporation, 3049 Devon Drive, Windsor, Ontario, Canada. Applicant's representative: Laurence M. Luke (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving the plantsite of Kelsey Hayes Co. at Romulus Township, Wayne County, Mich., as an off-route point in connection with the carrier's presently authorized service, between the international boundary line at Detroit, Mich., and points in the Detroit commercial zone. NOTE: Applicant is named as Transferee in a pending application of Thibodeau Express, Ltd., and Thibodeau International Transport, under Docket No. MC–FC 70015. If a hearing is deemed necessary, applicant requests it be held at Detroit, Mich., or Chicago, Ill.

No. MC 129589, filed December 11, 1967. Applicant: F. M. FLAMMANG COMPANY, a corporation, 5616 North Rockwell Street, Chicago, Ill. 60645. Applicant's representative: Robert H. Levy, 29 South La Salle Street, Chicago, Ill. 60603. Authoritiy sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Machine, truck, and tractor parts, accessories, and supplies; petroleum and petroleum products in drums; water pumps, generators, engines, and lift trucks*, between Chicago and Itasca, Ill. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 129596, filed December 11, 1967. Applicant: MARGERET R. PENNY, doing business as EVEREADY MOVERS, 1750 Seventh Street NW., Albuquerque, N. Mex. Applicant's representative: Paul F. Sullivan, Suite 913, Colorado Building, 1341 G Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, within 150-mile radius of Albuquerque, N. Mex., restricted to shipments moving in containers and having an immediately prior or subsequent movement by rail, motor, water, or air and moving on through bills of lading of forwarders, operating under section 402(b)(2) exemption. NOTE: If a hearing is deemed necessary, applicant requests it be held at Albuquerque, N. Mex., or Washington, D.C.

No. MC 129599 (Sub-No. 1), filed December 17, 1967. Applicant: WERMUTH CAL VAN STORAGE CO., INC., 2224 Del Monte Avenue, Monterey, Calif. 93940. Applicant's representative: Edward J. Hegarty, Shell Building, 100 Bush Street, San Francisco, Calif. 94104. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Used household goods* as defined by the Commission in 17 MCC 467, between points in Monterey, Santa Cruz, San Benito, and San Luis Obispo Counties, Calif. NOTE: If a hearing is deemed necessary, applicant requests it be held at San Francisco, Calif.

No. MC 129600, filed December 18, 1967. Applicant: POLAR TRANSPORT, INC., 11 Holly Street, Hingham, Mass. 02043. Applicant's representative: Frank J. Weiner, Investors Building, 536 Granite Street, Braintree, Mass. 02184. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Foodstuffs and restaurant supplies*, (a) from Brockton and Quincy, Mass., to Los Angeles, Calif.; Miami, Fla.; Atlanta and East Point, Ga.; Chicago, Ill.; Arlington, Dallas, and Houston, Tex.; and points in Connecticut, Maine, Maryland, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, and Vermont, (b) from New York, N.Y., to Brockton and Quincy, Mass., *returned and rejected shipments* of the above-described commodities, on return, and (2) *pallets*, between Brockton and Quincy, Mass.; Los Angeles, Calif.; Miami, Fla.; Atlanta and East point, Ga.; Chicago, Ill.; Arlington, Dallas, and Houston, Tex.; and points in Connecticut, Maine, Maryland, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, and Vermont, under a continuing contract with Howard D. Johnson Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Boston, Mass.

No. MC 129602, filed December 15, 1967. Applicant: DAVID H. LADD, doing business as DAVID H. LADD, TRUCKING, Route No. 2, Box 223–A, Durham, N.C. 27705. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Crushed stone, sand, or stone products* to be transported in dump trucks, between points in South Carolina, Georgia, North Carolina, and Virginia, under contract with Kalman Floor Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Durham or Raleigh, N.C.

No. MC 129606, filed December 18, 1967. Applicant: KAZUO HONDA, doing business as KAY HONDA, Route 4, Box 151, Idaho Falls, Idaho 83401. Applicant's representative: Orval Hansen, Box 96, 576 North Capital Avenue, Idaho Falls, Idaho 83401. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Mobile trailer homes* in initial and secondary movements, between points in Idaho, and points in Teton, Lincoln, Uinta, Fremont, Sublette, and Sweetwater Counties, Wyo.; Mineral, Missoula, Ravalli, Granite, Powell, Deer Lodge, Silver Bow, Jefferson, Beaverhead, Madison, Gallatin, Broadwater, Lewis and Clark, and Cascade Counties, Mont.; Elko, White Pine, Humboldt, Lander, and Eureka Counties, Nev.; Box Elder, Tooele, Cache, Rich, Weber, Morgan, Davis, Salt Lake, Utah, Summit, Wasatch, Duchesne, Daggett, and Uintah Counties, Utah. NOTE:

If a hearing is deemed necessary, applicant requests it be held at Idaho Falls, Idaho.

APPLICATIONS IN WHICH HANDLING WITHOUT ORAL HEARING HAS BEEN REQUESTED

No. MC 116887 (Sub-No. 2), filed December 14, 1967. Applicant: GRIFFIN MOBILE HOME TRANSPORTING CO., a corporation, 9000 Southeast 29th Street, Oklahoma City, Okla. 73110. Applicant's representative: W. T. Brunson, 419 Northwest Sixth Street, Oklahoma City, Okla. 73102. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Mobile homes,* between Claremore, Okla., on the one hand, and, on the other, points in the United States (except Hawaii and Oklahoma). NOTE: Applicant has a pending contract carrier application in MC 124190, therefore dual operations may be involved.

No. MC 116887 (Sub-No. 3), filed December 20, 1967. Applicant: GRIFFIN MOBILE HOME TRANSPORTING CO., a corporation, 9000 Southeast 29th, Oklahoma City, Okla. 73110. Applicant's representative: W. T. Brunson, 419 Northwest Sixth Street, Oklahoma City, Okla. 73102. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Mobile homes,* in initial movements, from Oklahoma City, Okla., to points in the United States (except Hawaii and Oklahoma). NOTE: Applicant has pending in No. MC 124190 an application for contract carrier authority, therefore, dual operations may be involved.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68-84; Filed, Jan. 4, 1968; 8:45 a.m.]

FOURTH SECTION APPLICATION FOR RELIEF

JANUARY 2, 1968.

Protests to the granting of an application must be prepared in accordance with Rule 1100.40 of the general rules of practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41204—*Rock Salt from Cleveland, Ohio.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2902), for interested rail carriers. Rates on bulk rock salt, in carloads, from Cleveland, Ohio, to points in trunkline and New England territories.

Grounds for relief—Market competition.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68-180; Filed, Jan. 4, 1968; 8:49 a.m.]

[Notice 521]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JANUARY 2, 1968.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC 67 (49 CFR Part 340), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 67583 (Sub-No. 12 TA), filed December 22, 1967. Applicant: KANE TRANSFER COMPANY, 5400 Tuxedo Road, Post Office Box 10008, Washington, D.C. 20018, Tuxedo, Md. 20781. Applicant's representative: Frank J. Burd (same address as above). Authority sought to operate as a *contract carrier,* by motor vehicle, over irregular routes, transporting: *containers,* plastic, 1-gallon or less in capacity, in boxes and corrugated fiberboard boxes, knocked down flat, when shipped with plastic bottles, from warehouse and plant of American Can Co. at New Castle, Del., to plants and storage facilities of the Procter & Gamble Manufacturing Co. at Baltimore, Md., for 150 days. Supporting shipper: The Procter & Gamble Co., Post Office Box 599, Cincinnati, Ohio 45201. Send protests to: Robert D. Caldwell, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 1220 Interstate Commerce Commission, 12th and Constitution Avenue NW., Washington, D.C. 20423.

No. MC 107496 (Sub-No. 615 TA), filed December 26, 1967. Applicant: RUAN TRANSPORT CORPORATION, Third and Keosauqua 50309, Post Office Box 855, Des Moines, Iowa 50304. Applicant's representative: H. L. Fabritz (same address as above). Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Feed ingredients,* from Nebraska City and Omaha, Nebr., to points in Missouri on and north of Interstate Highway I-70 and west of U.S. Highway 63, for 150 days. Supporting shipper: Hooker Chemical Corp., Farm Chemicals Division, 79 Progress Parkway, Maryland Heights, Mo. 63042. Send protests to: Ellis L. Annett, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 677 Federal Building, Des Moines, Iowa 50309.

No. MC 110420 (Sub-No. 558 TA), filed December 21, 1967. Applicant: QUALITY CARRIERS, INC., 100 South Calumet Street, Post Office Box 399, Burlington, Wis. 53105. Applicant's representative: Fred H. Figge (same address as above). Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Frozen foods,* from Traverse City, Mich., to points in, Belvidere, Bloomington, Chicago, Champaign, Danville, East St. Louis, Kankakee, Milan, Peoria, Quincy, Rockford, Rock Island, Springfield, Streator, and Urbana, Ill.; from Traverse City, Mich., to points in Fort Wayne, Hammond, Indianapolis, South Bend, and Vicennes, Ind.; from Traverse City, Mich., to points in, Cedar Rapids, Davenport, Des Moines, and Sioux City, Iowa; from Traverse City, Mich., to points in Emporia and Kansas City, Kans.; from Traverse City, Mich., to points in, Lexington and Louisville, Ky.; from Traverse City, Mich., to points in, Albert Lea, Duluth, Hopkins, Minneapolis, Rochester, and St. Paul, Minn.; from Traverse City, Mich., to points in Kansas City and St. Louis, Mo.; from Traverse City, Mich., to points in, Fargo, N. Dak.; from Traverse City, Mich., to points in Cincinnati, Cleveland, Columbus, and Toledo, Ohio; from Traverse City, Mich., to points in, Sioux Falls, S. Dak.; from Traverse City, Mich., to points in, Appleton, Butler, Green Bay, La Crosse, Madison, Marshfield, Milwaukee, Sheboygan, and Stevens Point, Wis., for 180 days. Supporting shipper: Chef Pierre, Inc., Box 544, Traverse City, Mich. Send protests to: Lyle D. Helfer, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 135 West Wells Street, Room 807, Milwaukee, Wis. 53203.

No. MC 119619 (Sub-No. 8 TA), filed December 27, 1967. Applicant: DISTRIBUTORS SERVICE CO., 2000 West 43d Street, Chicago, Ill. 60609. Applicant's representative: Arthur J. Piken, 160-16 Jamaica Avenue, Jamaica, N.Y. 11432. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat byproducts,* as described in section A of appendix I to the report in *Descriptions in Motor Carrier Certificates,* 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from points in the New York, N.Y., commercial zone, Philadelphia, Pa., and the State of New Jersey, to Pittsburgh, Pa., Louisville, Ky., Ohio, Indiana, Michigan, Illinois, Wisconsin, and Missouri, for 180 days. Supporting shippers: There are approximately 10 statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: Roger L.

Buchanan, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 219 South Dearborn Street, Room 1086, Chicago, Ill. 60604.

No. MC 125996 (Sub-No. 11 TA), filed December 27, 1967. Applicant: JENSEN TRUCKING CO., INC., 220 16th Street, Gothenburg, Nebr. 69138. Applicant's representative: Duane W. Acklie, 605 South 14th Street, Post Office Box 2028, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Animal feed, and animal feed ingredients* (except commodities in bulk, in tank vehicles), (a) from points in Nebraska to points in Colorado and (b) from points in Colorado and Utah to points in Nebraska. Restriction: On shipments originating at Denver, Greeley, Colorado Springs, and Pueblo, Colo., to stops intransit for partial loading in connection with other traffic originating at other points in Utah and Colorado, for 180 days. Supporting shipper: Allen Products, Inc., Allentown, Pa. Send protests to: District Supervisor, Max H. Johnston, Bureau of Operations, Interstate Commerce Commission, 315 Post Office Building, Lincoln, Nebr. 68508.

No. MC 126463 (Sub-No. 6 TA), filed December 27, 1967. Applicant: GREER BROS. TRUCKING CO., Post Office Box 187, London, Ky. 40741. Applicant's representative: George M. Catlett, 703–705 McClure Building, Frankfort, Ky. 40601. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Stone, gravel, sand, and blacktop material,* in bulk, in dump trucks, between points in Morgan, Robertson, Summer, Macon, Montgomery, and Stewart Counties, Tenn., on the one hand, and on the other, points in Trigg, Christian, Todd, Logan, Warren, and Monroe Counties, Ky., for 180 days. Supporting shippers: Don Young, Secretary, G.B. & Y., Inc., Jellico, Tenn. 37762; Don Young, Secretary, Greer Bros. & Young, Inc., Post Office Box 460, London, Ky. 40741. Send protests to: R. W. Schneither, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 207 Exchange Building, 147 North Upper Street, Lexington, Ky. 40507.

No. MC 126774 (Sub-No. 2 TA), filed December 27, 1967. Applicant: F. R. COSTELLO, doing business as COSCO SALES & SERVICE, Post Office Box 1662, Casper, Wyo. 82601. Applicant's representative: Robert S. Stauffer, 1510 East 20th Street, Cheyenne, Wyo. 82001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Machinery, equipment, materials, and supplies* used in, or in connection with the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and their products and byproducts, excluding the movement of complete drilling rigs, between Casper, Wyo., on the one hand, and, on the other, points in Montana, Colorado, Nebraska, North Dakota, South Dakota, Utah, and Idaho, for 180 days. Supporting shippers: There approximately 14 statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: Paul A. Naughton, District Supervisor, Interstate Commerce Commission, Bureau of Operations, D&S Building, 255 North Center Street, Casper, Wyo. 82601.

No. MC 127952 (Sub-No. 3 TA) (Amendment), filed December 18, 1967, published FEDERAL REGISTER, issue of December 27, 1967, and republished as amended this issue. Applicant: BLACKBURN TRUCK LINES, INC., 4998 Branyon Street, South Gate, Calif. 90280. Applicant's representative: Karl K. Roos, 825 City National Bank Building, 606 South Olive Street, Los Angeles, Calif. 90014. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Empty glass containers* on pallets, from points in Los Angeles County, Calif., to Las Vegas, Nev., under continuing contract with Brockway Glass Co., Inc., Glass Containers Corp., and Ball Brothers Co., Inc., for 120 days. NOTE: The purpose of this republication is to show that application has been amended to add Ball Brothers Co., Inc., as a contracting shipper. Supporting shippers: Brockway Glass Co., Inc., 8717 G Street, Oakland, Calif.; Glass Containers Corp., 535 North Gilbert Avenue, Fullerton, Calif. 92634; and Ball Brothers Co., Inc., 4000 North Arden Drive, El Monte, Calif. 91734. Send protests to: John E. Nance, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 300 North Los Angeles Street, Los Angeles, Calif. 90012.

No. MC 129387 (Sub-No. 3 TA), filed December 26, 1967. Applicant: BILL PAYNE, doing business as BILL PAYNE TRUSKING COMPANY, 413 15th Street West, Billings, Mont. 59102. Applicant's representative: Longan & Holmstrom, Suite 319, Securities Building, Billings, Mont. 59101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat products, and meat byproducts,* from Valley County, Mont., to points in California, Nevada, and Colorado, for 180 days. Supporting shipper: Montana Meat Packers, Inc., Drawer B Glasgow, Mont. 59230. Send protests to: Paul J. Labane, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 251 U.S. Post Office Building, Billings, Mont. 59101.

No. MC 129513 (Sub-No. 1 TA), filed December 22, 1967. Applicant: YORK CONTRACT CARRIER CORP., 212 West Wyandotte Street, Grand Island, Nebr. 68801. Applicant's representative: Charles J. Crawford, 605 South 14th Street, Lincoln, Nebr. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Grain storage, handling and drying bins and equipment and parts, materials, supplies, tools, and erection equipment therefor;* from the plantsite and storage facilities of York Manufacturing Co., near Henderson, Nebr.; to points in Arkansas, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Montana, North Carolina, North Dakota, Ohio, Oregon, South Carolina, South Dakota, Tennessee, Texas, Washington, Wisconsin, and Wyoming; (2) *grain handling augers and parts, materials, supplies, tools, and erection equipment therefor;* from Clay Center, Kans.; to points in Arkansas, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Minnestoa, Montana, Nebraska, North Carolina, North Dakota, Ohio, Oregon, South Carolina, South Dakota, Tennessee, Texas, Washington, Wisconsin, and Wyoming; (3) *parts, materials, supplies, and tools* used in the manufacturing of grain storage, handling and drying bins and equipment; from Marengo, Morton Grove, and Chicago, Ill.; Sheffield, Iowa; and Youngstown and Cleveland, Ohio, to the plantsite and storage facilities of York Manufacturing Co., near Henderson, Nebr.; all for account of York Manufacturing Co., for 150 days. Supporting shipper: York Manufacturing Co., Henderson, Nebr. Send protests to: District Supervisor, Max H. Johnston, Bureau of Operations, Interstate Commerce Commission, 315 Post Office Building, Lincoln, Nebr. 68508.

No. MC 129610 TA, filed December 22, 1967. Applicant: MANUEL MARIN, Calle 7A No. 752, Ensenada, Baja California, Mexico. Applicant's representative: Donald Murchison, Suite 211, Allen Paris Building, 211 South Beverly Drive, Beverly Hills, Calif. 90212. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Tin plate or fiber containers,* from points in Los Angeles, Riverside, Orange, and San Bernardino Counties, Calif., to port of entry San Ysidro, Calif., at international boundary line, between the United States and Mexico, for 150 days. Supporting shipper: Envases de Ensenada, S.A., Apartado Postal 1143, Ensenada, Baja California, Mexico. Send protests to: District Supervisor, W. J. Huetig, Interstate Commerce Commission, Bureau of Operations, Room 7708, Federal Building, 300 North Los Angeles Street, Los Angeles, Calif. 90012.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68–181; Filed, Jan. 4, 1968; 8:49 a.m.]

[Notice 68]

MOTOR CARRIER TRANSFER PROCEEDINGS

DECEMBER 29, 1967.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 279), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered

proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC–FC–70069. By order of December 21, 1967, the Transfer Board approved the transfer to Roy Havel & Sons, Inc., Washington, Iowa, of the operating rights in certificates Nos. MC–53842, MC–53842 (Sub-No. 1), and MC–53842 (Sub-No. 2), issued March 26, 1942, June 20, 1949, and August 28, 1952, respectively, to Elon A. Christner, Crawfordsville, Iowa, authorizing the transportation of livestock, feed, seed corn, soybean meal, tankage, fertilizer, farm machinery and parts, binder twine, windmills, and parts, coal, steel, malt beverages, petroleum products in containers, hides, honey, wool, tin cans, and elevators and parts between specified points in Iowa and Illinois. Kenneth F. Dudley, 901 South Madison Avenue, Post Office Box 279, Ottumwa, Iowa 52501, representative for applicants.

No. MC–FC–70075. By order of December 20, 1967, the Transfer Board approved the transfer to James F. Herlihy Trucking Co., Inc., Binghamton, N.Y., of Certificate Nos. MC–116602 (Sub-No. 1), MC–116602 (Sub-No. 2), and MC–116602 (Sub-No. 4), issued July 13, 1964, July 30, 1965, and March 15, 1967, respectively, to James F. Herlihy, doing business as Herlihy Trucking Co., Binghamton, N.Y., and authorizing the transportation of general commodities, except of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and articles requiring the use of special equipment, having a prior or subsequent movement by air, between points in Broome, Chenango, and Tioga Counties, N.Y., on the one hand, and, on the other, Broome County Airport, Broome County, N.Y., Newark Airport, Newark, N.J., and John F. Kennedy International Airport, New York, N.Y., and between Broome County Airport, Broome County, N.Y., and Newark Airport, Newark, N.J. Donald C. Carmien, 71 State Street, Binghamton, N.Y. 13902, attorney for applicants.

No. MC–FC–70084. By order of December 21, 1967, the Transfer Board approved the transfer to Leora Lucille Blankenbeckler, Sterling, Colo., of certificate No. MC–57847 (Sub-No. 1) issued June 20, 1946, to William Blankenbeckler, Sterling, Colo., and authorizing the transportation of livestock, including show stock, grain and hay, and livestock and poultry feeds, between points in Logan, Sedgwick, and Phillips Counties, Colo., and Washington County, Colo., on and north of U.S. Highway 34 and Weld County, Colo., on and east of a north-and-south line through Grover; the same commodities, between points in Logan, Sedgwick, and Phillips Counties, Colo., Washington County, Colo., on and north of U.S. Highway 34, and Weld County, Colo., on and east of a north-and-south line through Grover, Colo., on the one hand, and, on the other, points in Kansas and Nebraska, and specified points in Wyoming and Iowa; and, the same commodities, between points in Nebraska, on the one hand, and, on the other, Denver, Colo., except processed foods from Omaha, Nebr., to Denver, Colo. Charles W. Kreager, 229 Foote Building, Post Office Box 350, Sterling, Colo., 80751, and Marion F. Jones, 420 Denver Club Building, Denver, Colo. 80202, attorneys for applicants.

No. MC–FC–70087. By order of December 21, 1967, the Transfer Board approved the transfer to Standard Express, Inc., doing business as Silver Dollar Express, Waterbury, Conn., of the operating rights in certificate No. MC–117919, issued July 22, 1960, to Edward J. Corcoran, doing business as Silver Dollar Express, Waterbury, Conn., authorizing the transportation, of bananas, over irregular routes, from New York, N.Y., and Weehawken, N.J., to points in a described portion of Connecticut, and of frozen fruits, frozen vegetables, and frozen berries from New York, N.Y., and Jersey City, N.J., to points in a described portion of Connecticut. John F. Phelan, 111 West Main Street, Waterbury, Conn. 06702, attorney for applicants.

No. MC–FC–70088. By order of December 20, 1967, the Transfer Board approved the transfer to W. J. Casey Trucking & Rigging Co., Inc., Newark, N.J., of the operating rights in certificate No. MC–64394, issued May 18, 1961, to Daniel R. Finelli, Havertown, Pa., authorizing the transportation, over irregular routes, of contractors' supplies, not including earth, sand, stone, coal, and brick, and contractors' equipment, between points in the city and county of Philadelphia, Pa., on the one hand, and, on the other, points in New Jersey, Delaware, and Maryland. Robert B. Pepper, 297 Academy Street, Jersey City, N.J. 07306, representative for applicants.

No. MC–FC–70096. By order of December 20, 1967, the Transfer Board approved the transfer to Joe A. Kohler, doing business as Charleston Transfer, Paris, Ark., of certificate No. MC–70294 issued September 23, 1949, to G. F. Hairston, doing business as Charleston Transfer, Charleston, Ark., authorizing the transportation of general commodities, except those of unusual value, classes A and B explosives, household goods as defined in 17 M.C.C. 467, commodities in bulk, those requiring special equipment, and commodities injurious or contaminating to other lading, between Charleston and Fort Smith, Ark., serving all intermediate points, from Charleston over Arkansas Highway 22 to Fort Smith, and return over the same route. Joe A. Kohler, Post Office Box 119, Paris, Ark. 72855, representative for applicants.

No. MC–FC–70099. By order of December 22, 1967, the Transfer Board approved the transfer to Gordon Paul, Post Office Box 205, Ottawa, Kans., of the certificate in No. MC–63558, issued February 9, 1961, to Louis L. Penner, doing business as L. L. Penner and Sons, De Soto, Kans., authorizing the transportation of: General commodities, excluding commodities in bulk, and other specified commodities, from Kansas City, Mo., to De Soto, Kans., serving specified off-route points; feed, potatoes, coal, building materials, furniture, hardware, paint, petroleum products in containers, and agricultural implements and parts, from Kansas City, Mo., to De Soto, Kans., and points within 10 miles of De Soto; feed, metal building materials, hardware, paint, roofing materials, concrete blocks, wire, fencing, and agricultural machinery and parts, from North Kansas City, Mo., to De Soto, Kans., and points within 10 miles of De Soto; feed, fertilizer, and agricultural implements and parts, from Kansas City, Mo., to Prairie Center, Eudora, and Lawrence, Kans.; feed, fertilizer, potatoes, and empty bags, from Kansas City, Mo., to Loring, Vinland, Lawrence, and Midland, Kans.; heavy machinery and culverts, from Kansas City, Mo., to points in Lexington Township, Kans.; machinery, between Lawrence, Kans., and Kansas City, Mo.; and livestock, between Lawrence, Kans., and points within 5 miles of Lawrence on the one hand, and, on the other, Sedalia, and between De Soto, Kans., and points within 20 miles of De Soto, on the one hand, and, on the other, Kansas City, Mo., and Kansas City, Kans.

No. MC–FC–70100. By order of December 20, 1967, the Transfer Board approved the transfer to Raymond J. Dale, Rural Route No. 2, Dixon, Ill. 61021, of permit No. MC–125309, issued March 25, 1964, to Charles H. Rex, Box 34, Eldena, Ill. 61324, authorizing the transportation of: Malt beverages, from La Crosse and Sheboygan, Wis., to Joliet, Ill.

No. MC–FC–70103. By order of December 21, 1967, the Transfer Board approved the transfer to Summerford Truck Line, Inc., Ashford, Ala., of certificates Nos. MC–107960 and MC–107960 (Sub-No. 5) issued February 21, 1956, and May 25, 1964, respectively, to Joe J. Summerford, doing business as Summerford Truck Line, Ashford, Ala., authorizing the transportation of shelled peanuts, from Dothan, Ala., and points within 200 miles thereof, to points in Florida, Georgia, Alabama, South Carolina, North Carolina, Tennessee, and Virginia; seed peanuts in the shell, from points in Georgia, Florida, Alabama, North Carolina, and Virginia, to Dothan, Ala., and points within 200 miles thereof; agricultural insecticides, from Graceville, Fla., to points in specified areas of Alabama and Georgia; and fertilizer, except liquid fertilizer, from Adel, Cordele, and Meigs, Ga., to Graceville, Fla., and points in Alabama and Florida within 50 miles thereof, and from Tyner, Tenn., to Graceville, Fla., and points in Alabama, Georgia, and Florida within 50 miles thereof. Alto V. Lee III, Post Office Box 1665, Dothan, Ala. 36301, attorney for applicants.

No. MC–FC–70105. By order of December 20, 1967, the Transfer Board approved the transfer to Keim Transportation, Inc., Sabetha, Kans., of certificate No. MC–2095 issued March 19, 1957, to Roy Ralston and Glen Keim, a partnership, doing business as Ralston and Keim,

Sabetha, Kans., and authorizing the transportation of livestock, furs, hides, and wools, from Sabetha, Kans., to Kansas City and St. Joseph, Mo., serving intermediate and off-route points within 10 miles of Sabetha, restricted to pickup only, and the intermediate point of Kansas City, Kans., restricted to delivery only; livestock, seed, twine, hardware, farm machinery, poultry supplies, and building materials, from Kansas City and St. Joseph, Mo., to Sabetha, Kans., over a specified regular route; unmanufactured agricultural commodities, between Sabetha, Kans., and points within 10 miles thereof, on the one hand, and, on the other, points in Nebraska and Missouri; and other specified commodities between Sabetha, Kans., on the one hand, and, on the other, specified points in Nebraska, Missouri, and Kansas, Erle W. Francis, 700 Kansas Avenue, Topeka, Kans. 6603, attorney for applicants.

No. MC–FC–70106. By order of December 21, 1967, the Transfer Board approved the transfer to Merlin D. Brammer and Galen R. Brammer, a partnership, doing business as Brammer Truck Line, Sabetha, Kans., of certificates Nos. MC–2098 and MC–2098 (Sub-No. 2) both issued December 27, 1951, to Emery Showman, Sabetha, Kans., and authorizing the transportation of livestock between Sabetha, Kans., and points in Missouri; feed, twine, farm machinery, and fencing materials from St. Joseph and Kansas City, Mo., to Sabetha, Kans., and livestock, grain, feed, and petroleum products in containers, between Sabetha, Kans., and St. Joseph, Mo. Erle W. Francis, Suite 719, 700 Kansas Avenue, Topeka, Kans. 66603, attorney for applicants.

No. MC–FC–70120. By order of December 21, 1967, the Transfer Board approved the transfer to Rosendo Diaz and Jose Garcia de los Salmones, a partnership, doing business as Convite Moving Service & Storage, Ardmore, Pa., of certificate No. MC–41657 issued October 16, 1950, to Louis J. Luberda, doing business as Jensen Movers, Philadelphia, Pa., authorizing the transportation of household goods as defined in 17 M.C.C. 467, between Philadelphia, Pa., on the one hand, and, on the other, points in New Jersey, Maryland, Delaware, and that part of New York south of a line extending from Hancock, N.Y., through Saugerties, N.Y., to the intersection of the New York-Massachusetts-Connecticut State line, including points on Long Island. V. Baker Smith, 123 South Broad Street, Philadelphia, Pa. 19109, attorney for applicants.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68–182; Filed, Jan. 4, 1968; 8:49 a.m.]

Title 2—THE CONGRESS

ACTS APPROVED BY THE PRESIDENT

EDITORIAL NOTE: After the adjournment of the Congress *sine die,* and until all public acts have received final Presidential consideration, a listing of public laws approved by the President will appear in the daily FEDERAL REGISTER under Title 2—The Congress. A consolidated listing of the new acts approved by the President will apear in the Daily Digest in the final issue of the Congressional Record covering the 90th Congress, First Session.

Approved January 2, 1968

H.R. 8547 ..... Public Law 90–235
An Act to amend title 10, United States Code, to simplify laws relating to members of the Army, Navy, Air Force, and Marine Corps, and for other purposes.

H.R. 12961 ..... Public Law 90–236
An Act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status.

S. 2171 ..... Public Law 90–237
An Act to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts.

H.R. 13933 ..... Public Law 90–238
An Act to amend section 103 of title 23, U.S. Code, to authorize modifications or revisions in the Interstate System.

H.R. 14397 ..... Public Law 90–239
Supplemental Appropriation Act, 1968.

H.R. 1141 ..... Public Law 90–240
An Act to continue the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, and for other purposes.

H.R. 11542 ..... Public Law 90–241
An Act for the relief of Marshall County, Indiana.

H.R. 13273 ..... Public Law 90–242
An Act to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development.

S. 1722 ..... Public Law 90–243
An Act to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended.

S. 1566 ..... Public Law 90–244
An Act to amend sections 3 and 4 of the Act approved Sept. 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans.

H.R. 1341 ..... Public Law 90–245
An Act to amend section 701 of Title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas.

H.R. 3982 ..... Public Law 90–246
An Act to amend section 409 of Title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services.

Approved Dec. 30, 1967

H.R. 664 ..... Public Law 90–234
An Act to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty.

CUMULATIVE LIST OF PARTS AFFECTED—JANUARY

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during January.

FEDERAL REGISTER

VOLUME 33 • NUMBER 3

Friday, January 5, 1968 • Washington, D.C.

PART II

Department of Agriculture

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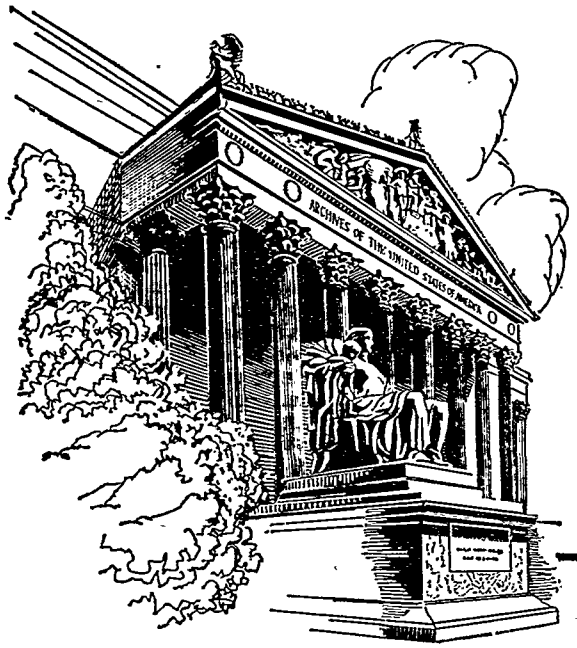
Consumer and Marketing Service

Milk in New York-New Jersey Marketing Area



Recommended Decision

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 1002]

[Docket No. AO 71–A50]

MILK IN THE NEW YORK-NEW JERSEY MARKETING AREA

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreement and order regulating the handling of milk in the New York-New Jersey marketing area.

Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250, by the 15th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order as amended, were formulated, was conducted at New York, N.Y., on January 16–25, 1967, pursuant to notice thereof issued on December 15, 1966 (31 F.R. 16273), and supplemental notice issued December 27, 1966 (31 F.R. 16716).

The material issues on the record of the hearing related to:

1. Providing for skim milk and butterfat accounting in lieu of the present butterfat equivalent accounting procedure.
2. Changing the classification scheme from three classes of milk utilization (and the use of a fluid skim milk differential) to two classes of utilization.
3. Modification of provisions on loss or shrinkage of milk in handling and processing.
4. Accounting procedure to be followed in assignment of receipts of skim milk and butterfat to classes of utilization.
5. Modification of the Class I price provisions to neutralize the effect on price level of amendments adopted to accommodate standardization.
6. Establishing a single butterfat differential applicable to class prices and the uniform price.
7. Incidental and corollary changes.
8. Temporary modification of the Class I pricing provisions to offset artificially induced losses in Class I utilization reflected under the existing accounting procedure when skim milk is used in standardization.
9. Whether there is need for emergency action with respect to temporary modification of the Class I pricing provisions.

Issues 8 and 9 have been dealt with in a decision (32 F.R. 3384) and an amending order (32 F.R. 3384). This recommended decision deals with each of the remaining issues.

FINDINGS AND CONCLUSION

The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof.

1. *Providing a skim milk and butterfat accounting procedure.*

The accounting procedure under the order should be revised to provide for separate skim milk and butterfat accounting.

The accounting procedure prescribed by the present order is essentially one of butterfat equivalent accounting. The butterfat utilized in each class is divided by the average test of milk received from producers to determine the hundredweight of milk disposed of in such class.

The prescribed application of the fluid skim differential has been used in conjunction with this procedure and recognizes the fact that when butterfat is disposed of as cream (which is classified as other than Class I) the skim milk portion of the milk can be, and often is, disposed of by handlers to consumers as fluid skim milk, in half and half, in certain cultured milk drinks, or may be shipped to other order plants and assigned to Class I under such other order. In such cases the pricing of the milk received from producers in the class to which the butterfat is assigned would not return to producers a realistic use value for their milk.

Under the existing accounting scheme the addition of the fluid skim differential to the Class II or Class III price, as the case may be, is intended to provide a price for skim milk approximately equivalent to the Class I value of skim milk disposed of in specified fluid uses. However, the resulting price is merely an approximation and its reasonableness as an appropriate price is fundamentally dependent on whether the butterfat portion of the milk is disposed of and priced as Class II or as Class III.

The butterfat accounting procedure was adopted in recognition of the fact that the States of New Jersey and New York, within which the marketing area lies, did not permit the standardization of milk for fluid uses. Under such circumstances, a butterfat accounting procedure was considered to be appropriate. However, standardization has been permitted in New Jersey since mid-1964 and in New York since November 1, 1966. Permissive standardization allows handlers to change the average butterfat content of fluid milk by the addition or removal of either skim milk or butterfat. In most instances standardization is done to lower the butterfat content of the finished product. Accordingly, the butterfat equivalent accounting procedure employed under the order does not insure a full accounting in Class I of the total volume of milk and skim milk actually utilized for fluid purposes.

Accounting for milk and milk products on a skim milk and butterfat accounting basis and pricing in accordance with the form in which, or the purpose for which such skim milk and butterfat are used or disposed of is the most appropriate means of securing complete accounting on all milk involved in market transactions. Milk is disposed of in the market in a wide variety of forms representing different proportions of butterfat and skim milk components of milk, which may be greatly changed from the proportions of such butterfat and skim milk in milk as it is first received. Measured in terms of volume the products disposed of in the market may represent one quantity of milk, and measured in terms of milk equivalent of the butterfat content they may represent quite a different quantity.

Moreover, the present accounting method, coupled with the practice of standardization, does not achieve uniformity of product cost among handlers. Lack of uniformity in cost of the same product results from differences in the butterfat content of milk received from producers and from differences in the extent to which standardization is practiced.

There are obvious difficulties in reconciling the quantities of product to be priced, particularly when consideration is given to the increasing intermarket transfers of milk, where accounting in one area is in terms of product weight and in another area is in terms of milk equivalent of butterfat. Uniformity of price between markets depends upon a complete measure of the milk quantities involved and this must be accomplished in terms of both butterfat and the skim milk equivalent of nonfat milk solids.

The skim milk and butterfat accounting system herein adopted is the procedure universally used in all other Federal milk markets for verification of the receipts and utilization of milk and milk products. It will therefore implement the uniform application of milk accounting to all handlers and among all markets. In addition, it is the only practical means, in view of standardization, of assuring that producers will receive the full utilization value for their milk.

2. *Classes of utilization.* The classification provisions of the order should be modified to provide for two use classes. Milk used in fluid milk products which are required by the applicable health authorities in the marketing area to be made from approved milk supply sources or milk used to produce other fluid milk products for which handlers generally and regularly rely on local producers for milk supplies, which products compete directly with those fluid products for which an approved supply source is required, should be classified as Class I milk. Class I milk should continue to be subdivided into Class I–A and Class I–B. However, the Class I–A definition should be expanded to include not only Class

I disposition in the marketing area but also all Class I disposition directly to consumers in other order markets or to other plants for Class I disposition in other order markets. Class I–B should include only that Class I disposition outside of any Federal order marketing area. Milk in excess of the fluid needs of the market and which is disposed of in manufactured products should be Class II milk.

A. *Class I.* To implement the drafting of the revised order a fluid milk product definition is provided. The products included in such definition are only those products intended to be classified in Class I. This includes all skim milk (including any used to produce concentrated milk or reconstituted milk) and butterfat disposed of (other than as sterilized products in hermetically sealed containers) in fluid form as milk, skim milk, cultured or flavored milk drinks (except eggnog and yogurt), concentrated fluid milk disposed of in consumer packages, cream (except storage, plastic or sour), half and half (except sour) and any other fluid mixture of cream, milk or skim milk containing less than 18 percent butterfat (other than ice cream, ice cream mixes, evaporated milk, plain or sweetened condensed milk, or skim milk). When any product specified in the fluid milk product definition (and hence to be classified as Class I) is fortified with nonfat milk solids it is provided that the amount of skim milk to be included in the definition shall be only that amount equal to the weight of skim milk in an equal volume of an unmodified product of the same nature and butterfat content.

With the adoption of skim milk and butterfat accounting it is now possible to include in Class I all of the fluid products for which a continuing, dependable supply of locally approved milk is required or demanded and which generally compete for a common consumer market. In so doing, equality of pricing is more nearly achieved for products of the same general form or butterfat content.

a. *Cream.* While fluid cream, half and half and other fluid cream products have in the past been classified as either Class II or Class III dependent on whether disposed of inside or outside the metropolitan district of the marketing area, such classification as other than Class I has been necessary to provide a competitive pricing of butterfat in such products with butterfat disposed of for other than fluid uses. Because handlers were not permitted to standardize milk, and therefore necessarily bottled Class I products at the incoming test of milk received from producers, high test producer milk had little added value to the handler if disposed of for Class I uses. Therefore, in order to insure a market for producers' milk, regardless of test, it was necessary to provide a nominal Class I butterfat differential which was unrelated to the true value of butterfat in alternative manufacturing uses. Under such a low butterfat differential, cream and cream products would have been under priced if they had been included as Class I products.

The present rules and regulations provide that "cream" shall have more than 15 percent butterfat content. However, under the health regulations applicable in the marketing area "cream" must have a butterfat content of not less than 18 percent. In view of the applicable health standards, the amended order provides that fluid milk products which have a butterfat content of not less than 18 percent will be treated as "cream." For cream disposed of in the metropolitan district, handlers' costs will be reduced. On the other hand, for cream disposed of outside such district, including that disposed of in other marketing areas, the cost will be slightly increased for the high butterfat forms of cream. Since the lower butterfat content products contain more fluid skim, which would have a higher value, the cost for these products will be somewhat greater.

Cream for fluid uses has in recent years been an item of diminishing importance. By far the greater proportion of cream is disposed of for ultimate use in manufactured dairy products. The pricing of such cream will remain unchanged under the amendments herein adopted.

b. *Drinks.* For the same reasons as previously discussed for cream, cultured and flavored milk drinks containing in excess of 5 percent butterfat were also classified as other than Class I. Such products containing less than 3 percent butterfat were similarly classified to provide appropriate pricing of such products under the existing market situation. However, the application of the fluid skim differential with respect to skim milk disposed of in the form of milk, skim milk, half and half, and cultured milk drinks containing more than 3 percent but no more than 5 percent butterfat and derived from other than producer milk classified as Class I–A or I–B or from other order milk, was intended to provide a price with respect to milk so disposed of as either Class II or Class III milk equivalent to the Class I–A price.

While milk drinks testing less than 3 percent or more than 5 percent and disposed of inside the metropolitan district have been classified in a different class and priced higher than such products disposed of outside of such district, the record of the hearing provides no basis for such continuing distinction. The applicable health regulations both inside and outside the metropolitan district are similar and generally provide that milk drinks containing more than 3 percent butterfat content must be made from approved ingredients. Accordingly, it is appropriate that all of such products be classified as Class I and contribute their proportionate share to the Class I proceeds necessary to reflect, through the blended price, returns to producers sufficient to encourage the production of those quantities of milk needed to insure an adequate fluid milk supply.

Under the applicable health regulations, cultured and flavored milk drinks containing less than 3 percent butterfat, to the extent that they are derived from fluid skim milk, must be made from approved milk supplies. While it is possible to use reconstituted nonfat dry milk, in part, in making such products, handlers, nevertheless, generally rely on local producers for necessary milk supplies for such products.

If the skim milk and butterfat in such products were classified as Class II, such products would enjoy a substantial price advantage over competing fluid milk products which would obviously encourage their substitution for those fluid milk products classified as Class I. Producers thus would be in the position of producing, at the Class II price, skim milk for such products to compete with skim milk for which they receive the Class I price. Under such circumstances a higher Class I price than would otherwise be necessary, would be required to support the needed production to adequately supply the total fluid market. This would require that consumers of those products classified in Class I subsidize consumption of the competing products classified in Class II.

It is concluded that skim milk and butterfat disposed of in low-fat, cultured, and flavored milk drinks should be classified as Class I regardless of the source of such skim milk and butterfat. To classify otherwise would defeat the purpose of the classified pricing plan of providing uniform prices to all handlers and insuring continuing market stability.

c. *Fortification and reconstitution.* When any product specified in the fluid milk product definition (and hence to be classified as Class I) is fortified with nonfat milk solids it is provided that the amount of skim milk to be included in Class I shall be only that amount equal to the weight of skim milk in an equal volume of an unmodified product of the same nature and butterfat content.

Fortification of fluid milk products customarily is accomplished by the addition of concentrated nonfat milk solids to fluid milk or skim milk to yield a finished product of higher nonfat milk solids content than that of an equivalent volume of unmodified product. Reconstitution, on the other hand, involves the process of suspending concentrated milk solids in water to yield a weight of product approximately equal to the weight of milk from which the concentrated product was first made by the removal of water.

Nonfat dry milk and condensed skim milk are generally derived from unpriced milk or milk which has been priced as surplus under a Federal order. These products are not necessarily processed from producer milk and may be made from unregulated milk. Unless safeguards are provided, an economic incentive exists for handlers to substitute, where possible, reconstituted fluid milk products processed from receipts of producer milk priced as surplus or unregulated milk. Since such substitution would displace an equivalent amount of producer milk in Class I milk, the application of skim milk equivalent accounting in this circumstance is economically sound and necessary to insure continuing orderly marketing.

The same economic incentive does not exist with respect to the use of nonfat

dry milk or condensed skim milk to fortify fluid milk products. If nonfat milk solids are to be derived from producer milk, the skim milk must first be processed into usable form; i.e., nonfat dry milk or condensed skim milk. Such products processed from producer milk have no greater value for fortification purposes than similar products purchased in the open market. Such products are used in fortification to increase the palatability of, and hence the salability of, the finished product, and the added solids displace producer milk in Class I milk only by a minor increase in volume which results.

If the skim milk equivalent of all nonfat solids used to fortify Class I products were classified in Class I it would inflate significantly the utilization and disposition of Class I milk. It is neither necessary nor appropriate that handlers be required to account and pay for such inflated volume as Class I milk. However, in the interest of a complete accounting system the entire skim milk equivalent should be entered into the system. This can best be achieved by providing that fortified fluid milk products shall be Class I only to the extent of the weight of a similar volume of an unmodified fluid milk product of the same nature and butterfat content, excluding the dry weight of any nonmilk additive such as flavoring, etc. The skim milk equivalent of the nonfat milk solids not classified as Class I milk should be classified as Class II milk.

B. *Class I–A.* The Class I–A definition should include fluid milk products disposed of in both this and other Federal order markets. Under the terms of the existing order a pool plant may receive nonpool (unpriced) milk and dispose of such milk for fluid use outside the marketing area with no monetary obligation to the pool, regardless of the price at which such milk might have been procured. This results from the fact that the order prices only pool (producer) milk. Such milk is given priority of assignment of Class I–A disposition (milk disposed of for Class I use in the marketing area). Receipts of pool milk in excess of such Class I–A disposition are assigned first to Class II and then pro rata to available Class I–B (milk disposed of for Class I use outside the marketing area) and Class III use. Under this procedure a handler, by controlling the volume of his pool receipts, can acquire unpriced milk for fluid disposition outside the marketing area, including disposition to other order plants or direct distribution into other order marketing areas.

To protect the integrity of regulation in adjacent Federal order markets it has been necessary to incorporate provisions in the orders regulating such markets which insure the pricing of any (otherwise unpriced) Class I milk received at pool plants from regulated sources under the New York-New Jersey order or disposed of directly from such sources into such other markets. This has placed on the market administrators of adjacent orders considerable added administrative responsibility which, except for the unique structure of Order 2, would not be necessary. Notwithstanding, there is always reasonable doubt that the pricing provided is, in fact, appropriate either in terms of the order Class I price in the originating market or in the receiving market. This is true because the amount of payment required under such other order must be computed on the basis of a price assumed to have been paid dairy farmers supplying such milk since there is no practical means of determining the actual pay price. Under any circumstances, the differential value assessed on such milk accrues to producers in the market where disposed of rather than to the dairy farmers actually supplying the milk.

Under Federal orders generally, plants doing business in more than one regulated market are regulated under the order covering the market in which the greater volume of Class I sales are made. In this way producers are assured returns reflecting the full utilization value of their milk at not less than the prescribed order prices regardless of where the milk is ultimately sold.

To more fully integrate the entire Federal order system it is desirable that the Class I–A definition under the order be extended to include milk disposed of from regulated plants for Class I use in other Federal order markets. Clearly, any incentive for New York-New Jersey handlers to use nonpool milk for sale to or in other Federal order markets was greatest when the adjacent Delaware Valley market employed an individual-handler pooling arrangement. Official notice is taken of the fact that effective June 1, 1967, the Delaware Valley Federal order was modified to provide marketwide pooling.

It is not apparent that any incentive now exists for Order 2 handlers to make sales of unpriced milk from pool plants to other Federal orders for Class I use. To the contrary, it would appear that their interests as well as the interests of Order 2 producers would best be served by using pool milk for such purposes. Notwithstanding, the order should be revised to provide assurance to dairy farmers associated with the Order 2 market that they will receive the full utilization value of any of their milk disposed of into other Federal order markets. Except for special treatment of Connecticut order milk disposed of to New York-New Jersey pool plants (in recognition of the Connecticut market's limited facilities for handling reserve milk), producers in other Federal order markets have had assurance that their returns will reflect the use value, under the terms of their order, of any of their milk disposed of in the New York-New Jersey market. It is equally appropriate that Order 2 producers have similar assurance with respect to sales of their milk into other order markets.

C. *Class II.* Milk which is excess to the Class I needs of the market must be disposed of for use in manufactured products which compete on the national market with similar products made from manufacturing grade milk. Milk so used must be classified as Class II milk and priced according to its value in such outlets.

Most of the products now classified as Class III will continue to be classified in the lowest use class (Class II) under the revised order. The classification of certain products, not previously discussed and herein proposed to be classified as Class II, was an issue at the hearing. The rationale with respect to their classification as Class II is set forth below.

a. *Storage and plastic cream.* The preponderance of the locally produced cream placed in licensed cold storage warehouses or processed into plastic cream is intended for other than fluid uses. To price such disposition as other than Class II would place an undue financial burden on handlers and require extensive and unnecessary records to insure appropriate reclassification when ultimately disposed of. Such cream should be treated as a final disposition and classified as Class II. In the event that any is ultimately used as Class I the cream involved should be treated as an other source receipt in the month in which it is so used and subject to a charge of the difference between the current Class I and Class II price. This procedure is necessary to insure equal pricing among handlers.

b. *Eggnog and yogurt.* Eggnog is a specialty item with an extreme seasonal demand. It is not required to be made from milk from approved supply sources. Its classification as other than Class II could substantially extend the application of regulation and create serious administrative problems without perceptible enhancement of returns to producers. Yogurt similarly is not required to be made from milk from approved supply sources. It is also a specialty item with a relatively small demand and is in fact more properly a food item than a drink and appropriately should be classified in Class II along with other manufactured milk products.

c. *Sour cream.* Sour cream and sour half and half are basically different from other cream products in characteristics and usage and do not compete with such other creams as fluid milk products. They do, however, compete in the marketing area with similar products produced outside the market and which are not required to be made from locally approved supplies. To classify such products as other than Class II would deny a market outlet for such products made from local producer milk.

d. *Sterile milk.* While it was proposed that sterile milk be classified in Class I there was no showing on the record that such a product is a competitive factor in the market. Under existing circumstances there is no basis for changing the classification of this product. However, should such product become a competitive factor in the market the matter of its classification as other than Class II appropriately could be considered at a hearing called for that purpose.

D. *Inventories.* The classification provisions of the order should be further revised to provide that inventories of fluid milk products in packaged form on hand

at the end of the month shall be classified as Class I. Inventories in bulk should be classified as Class II.

Under the existing order handlers have had until 30 days after the end of the month to elect a classification on closing inventories (either packaged or bulk). This election permits a handler to take full advantage of price changes from one month to the next in classifying ending inventories. To this end such election deters full achievement of the purposes of the Act; i.e., equality of pricing of milk to all handlers.

The treatment of inventories herein provided will tend to minimize any possible difference in classification between a handler's internal accounting and his reports to the market administrator. Handlers may consider products loaded on trucks parked on or adjacent to the premises as being in inventory. Some also may consider products on hand in distribution depots or in transit as being in inventory. The market administrator, however, may consider as inventory only those items which are physically on hand in the plant. The classification procedure herein provided should eliminate any difficulties in this respect. In addition it should minimize month-to-month fluctuations in the pool obligations of high utilization handlers and will be effective in insuring equity of pricing as among handlers in the cost of milk under the order.

In the first month of operation under the amended order inventories of fluid milk products (both packaged and bulk) on hand at the beginning of the month should be assigned insofar as possible to the class in which classified in the preceding month. This procedure will minimize the incidence of reclassification of inventory and thus eliminate the necessity for the market administrator to issue reclassification charges as a result of the reclassification of inventories in the first month of operation under the amended order.

Since seasonality of Class I pricing to handlers was removed from the order with adoption of the "Louisville plan" for payment of producers effective April 1, 1967, it will be unnecessary to provide for adjustment of each handler's obligation with respect to inventory of packaged fluid milk products classified as Class I in the preceding month and assigned to Class I disposition in the current month. While the Class I price will unquestionably vary from month to month, such variation will not be sufficient to influence handlers in the handling of inventories or to justify the administrative problems which would necessarily be encountered in this large market in adjusting each handler's obligation with respect to opening Class I inventory to insure that the current month's Class I price was always applicable to any disposition of Class I inventory in the current month.

3. *Shrinkage.* The shrinkage provisions of the order should be modified to provide that shrinkage shall be prorated between classes of use in the same proportion that the skim milk and butterfat, respectively, actually accounted for is classified. However, skim milk and butterfat assigned to Class II should not exceed 2 percent of the skim milk and butterfat, respectively, accounted for in such class and any remainder shall be classified as Class I–A.

The order presently provides that allowances for plant loss (shrinkage), not to exceed 5 percent of the butterfat in the product resulting from any specific plant operation or unit operation, may be classified in the same class as the butterfat in such product is classified. It further provides that specific allowances shall be determined by the market administrator under his authority to promulgate rules and regulations to effectuate the terms and provisions of the order. Such allowances, as determined by the market administrator are set forth in the rules and regulations and range from 1 percent for original plant receiving to 5 percent for cream cheese.

In application, shrinkage is handled much in the manner of a make allowance in that the volume of butterfat specifically accounted for in each plant operation or product is inflated by the specified plant loss allowance for such operation or product. The amount of shrinkage allowed is directly related to the number of movements or processings involved in reaching the ultimate product. Thus, there is theoretically no limit to the shrinkage which might be allowed on any particular volume of butterfat. However, since allowable shrinkage is classified in the same class as the milk equivalent of the butterfat in the product and shrinkage in excess thereof is classified as Class I–A there is no basis for concluding that the present procedure has not appropriately accommodated the existing accounting procedure.

Witnesses at the hearing generally supported continuation of the presently prescribed procedure with respect to shrinkage. Notwithstanding the position taken by interested parties at the hearing, the skim milk and butterfat accounting procedure herein adopted requires some modification of the shrinkage provisions. In the future, handlers must account separately for all skim milk and butterfat received in accordance with its classification either as Class I disposition or as used to produce products other than Class I. Once a Class II product is made it is treated as a final disposition unless reprocessed into another product in the same plant and in the same month. With this exception, whenever a Class II product is reprocessed in a plant, and thereby involved in a handler's accounting, it is treated as a receipt of other source milk. This is consistent with the accounting procedure employed under Federal orders generally.

Under this procedure it is not necessary to account for shrinkage on a product by product basis. Shrinkage in reality represents plant receipts for which a handler cannot establish a disposition. Hence, it cannot specifically be associated with any particular product or plant operation except under circumstances where a plant is engaged in a single operation.

In the case of a fluid operation the skim milk and butterfat content of the milk and milk products received and disposed of by a handler can be determined through recognized testing procedures. However, in manufacturing operations the accounting problem is more difficult in that some of the water present in the milk as received from producers is removed in processing. Here the problem is to establish the respective volumes of skim milk and butterfat used to produce such products. This can be ascertained through the use of appropriate accounting procedures.

It is reasonable to conclude, therefore, that shrinkage losses under the revised accounting procedure will not be as great as under the present procedure where the butterfat accounting starts with the product of ultimate disposition.

Experience in other Federal orders using a similar accounting procedure has clearly established that shrinkage losses of skim milk and butterfat, respectively, should not exceed 2 percent in any reasonably efficient operation.

Equitable administration of the order is dependent on a uniform, precise and complete accounting procedure. There is no evident reason on the hearing record why shrinkage experience in the market should not be similar to that in other Federal order markets. It is concluded, therefore, that allowable shrinkage of skim milk and butterfat, respectively, should be limited to not more than 2 percent and the amended order so provides. Shrinkage in excess of allowable limits, as under the present order, should be classified as Class I–A.

The procedure followed under the existing order of assigning shrinkage, within the allowable limits, to the same classes of use as the butterfat accounted for is substantially different from that provided in other Federal orders. Nevertheless, such procedure appears to have precipitated no basic problems in the market and is generally supported by the industry. Accordingly, this procedure is continued for skim milk and butterfat, respectively, under the amended order.

4. *Accounting procedure—Transfers and allocation.* The present order sets forth the basic principles of allocation and classification of pool milk which are applicable at any plant to which any pool milk moves. A specific allocation procedure to implement those principles is set forth in the rules and regulations. With the adoption of a skim milk and butterfat accounting system, the application and administration of the order will be better implemented by the inclusion in the order of complete transfer and allocation provisions which are to be followed in the classification of milk.

The system of allocation of receipts to classes of utilization must be similar to the system of allocation set forth in the decisions of the Assistant Secretary issued June 19, 1964 (29 F.R. 9109) with respect to 75 Federal orders. While this matter with respect to New York-New Jersey and New England markets was considered at a separate hearing and the present procedure was adopted in the

decision of the Assistant Secretary issued October 31, 1963 (28 F.R. 11956), it must be recognized that the accounting procedure and pooling provisions of the New York-New Jersey order have been basically different from those of Federal orders generally.

With the adoption of a new accounting procedure similar to that generally employed in Federal orders, the system of allocation employed in other Federal orders may now be adopted with necessary modifications to accommodate the basic structure of the New York-New Jersey order. This system was designed to integrate into the regulatory plan of each of the orders milk which is not subject to classified pricing under any order, and to apply the regulatory plan of each of the Federal orders to milk regulated under another order which is disposed of from other order plants on routes in the marketing area, or is received at a fully regulated plant. Inasmuch as those decisions set forth the standards for dealing with unregulated milk under Federal orders generally, it is desirable that the system of allocation under this order be similar. Further, the treatment of other order milk should conform with the plan stated in those decisions so as to more fully coordinate the applicable regulations on all movements of milk between Federal order markets.

The principles of allocation prescribed in the present order generally provide that pool milk shall have priority of assignment to Class I–A (Class I disposition in the marketing area), Class II and skim milk subject to the fluid skim milk differential and pool receipts in excess thereof shall be assigned pro rata to Class I–B (Class I disposition outside the marketing area) and Class III. Other Federal order receipts are generally assigned first to Class I–B and then to Class I–A. The broadening of the Class I–A milk definition to include Class I sales in other order markets necessarily requires modification of this procedure. Except in situations where interorder movements are classified as Class II (surplus disposition) by agreement, pool milk and other order milk will generally share pro rata in assignment to classes. With this exception the principle of assignment of regulated milk is generally preserved. However, the order of assignment is reversed in that assignment of regulated milk is made after the appropriate assignment of other source unregulated receipts rather than as the first step in the allocation procedure.

A. *Transfers.* As has been previously indicated, skim milk and butterfat disposed of in any product, other than a fluid milk product, will be treated under the amended order as a final disposition for classification purposes when the product is made unless such product is reprocessed into another product in the same plant in the same month. In the latter case, classification will be in accordance with its ultimate disposition in such month. In all other cases when any nonfluid milk product is involved in the accounting procedure the butterfat and skim milk equivalent of the nonfat milk solids contained therein are treated as another source receipt. Accordingly, the transfer provision need cover only interhandler or interplant movements of fluid milk products.

Classification of any fluid milk product which is moved from a pool unit or a pool plant to another plant should, under usual circumstances, be determined on the basis of its utilization in the plant to which transferred.

When the transfer is to a pool plant classification should be on the basis of assignment at such pool plant. However, sufficient utilization must be available at the transferee plant for such assignment after prior allocation of receipts of unregulated milk, other order milk, and inventory. Moreover, if other source milk of the type to which surplus value inherently applies (such as nonfat dry milk) has been received at the transferor plant during the month, the skim milk and butterfat in fluid milk products involved in such transfer should be classified so as to allocate the least possible Class I utilization to such other source milk. In the event the transferor handler received other source milk from a nonpool unit or an unregulated plant, the transferred quantity, up to the total of such receipts, should not be assigned to Class I to a greater extent than would be applicable to a like quantity of such other source milk received directly at the transferee plant.

Fluid milk products transferred to a nonpool plant, which is not an other order plant nor a producer-handler plant, should be classified as Class I unless certain conditions are met. The transferring handler must claim classification as other than Class I–A in filing his report for the month pursuant to § 1002.30 and the operator of the nonpool plant, if requested, must make his books and records available to the market administrator for the purpose of verifying the receipts and utilization of milk in such nonpool plant. Provision for verification by the market administrator is reasonable and necessary to insure proper application of the classification procedure prescribed in the order.

If the above conditions are met, the skim milk and butterfat so transferred should be assigned at the transferee plant as follows:

Packaged receipts of fluid milk products from all Federal order sources should first be assigned to route disposition in Federal order marketing areas (assigning receipts to sales in the same market to the extent possible) and any residual should then be assigned to Class I–B route sales. Thereafter bulk transfers received from each Federal order should be assigned to any remaining route disposition in the market where the transferor plant is regulated and any remainder of such receipts should then be assigned pro rata with other Federal order receipts to remaining route disposition in all Federal order marketing areas. Any remaining Class I–A route disposition from the transferee plant in the marketing area should then be assigned to receipts at such plant from dairy farmers. Under the terms of the order such nonpool plant would become a partial pool plant with respect to such sales.

Remaining receipts from dairy farmers and other unregulated other source receipts (excluding opening inventory) in the form of fluid milk products should then be assigned pro rata to Class I–B (Class I disposition in unregulated areas) and Class II utilization at such plant and any remainder of such receipts should be assigned pro rata to Class I–A bulk sales to plants regulated under the order and Class I bulk sales to plants regulated under other Federal orders. Finally, any remaining transfers from pool plants and pool units should be assigned pro rata with remaining receipts from other order plants, first to remaining Class I–A utilization, then Class I–B utilization and lastly to Class II utilization to the extent of such available utilization. However, if on inspection of the books and records of such nonpool plant the market administrator finds that there is insufficient utilization to cover such remainder, the excess thereof shall be classified as Class I–A.

In the case of fluid milk products transferred from pool plants to fully regulated plants under another order, specific rules should apply to coordinate the classification under both orders. Specifically, fluid milk products transferred to an other order plant in excess of receipts from such plant in the same category (packaged, bulk designated for surplus disposal, or bulk milk not so designated) should be classified in the classes to which allocated under the other order. If the operators of both the transferor and transferee plants so request in the reports of receipts and utilization filed with their respective market administrators, transfers in bulk form should be classified Class II to the extent that utilization in manufacturing (Class II use) is available for such assignment pursuant to the allocation provisions of the transferee order.

If the transfer is in packaged form classification should be in the class in which assigned as a fluid milk product under the other order. If the product is not defined as a fluid milk product under such other order, classification should be in accordance with the form in which it leaves the transferor plant. When the classification of a product differs in the shipping and receiving market, identical classification is not possible. Notwithstanding, the order provisions must be designed to accommodate the difference in classification which might exist in this order compared to any order market to which such product is transferred. Under such circumstances, classification appropriately should be the same as would be the case if the product were disposed of in the transferor market. Allocation to classes under the other order would be in accordance with the provisions of such other order.

Any transfer of fluid milk product to a producer-handler under this or any other Federal order should be classified as Class I–A. Producer-handlers do not

equalize their Class I sales with other producers and accordingly, to the extent that they rely on pool purchases for balancing supplies producers should be compensated through a Class I return.

B. *Allocation.* The pooling provisions of the order were not an issue at the hearing. Nevertheless, the change to skim milk and butterfat accounting necessarily requires some modification of the pooling provisions to include consideration of both skim milk and butterfat.

Under the terms of the order plants either hold regular pool plant status (by designation) or acquire temporary pool plant status by meeting specified performance standards with respect to the shipment or disposition of milk classified in Class I–A (Class I disposition in the marketing area). Plants which are not designated pool plants and which do not meet the performance requirements for temporary pool plant status but which have receipts from dairy farmers or units classified as Class I–A may become partial pool plants. Similiarly, units may be pool units (on the basis of designation or performance) or partial pool units. Plants and units which have neither pool or partial pool status are nonpool plants or units.

With the change to skim milk and butterfat accounting it is possible that the status of some plants may change. For example, total producer receipts of a plant previously meeting the requirements for temporary pooling status on the basis of butterfat accounting may no longer qualify the plant since the skim milk portion of such receipts could be classified as Class II while the butterfat is classified in Class I. On the other hand, a plant which previously did not meet the pooling requirmeents but which held partial pool plant status may qualify for pooling on the basis of the classification of combined receipts of skim milk and butterfat from dairy farmers or units. In addition, the conclusion hereinbefore set forth with respect to the classification of milk disposed of to other order markets provides a broader base for pooling and could result in pool status for some plants or units which previously held either partial or nonpool status.

Because pooling status (except in the case of designated plant or units) is dependent on I–A classification of prescribed minimum percentages of receipts from dairy farmers and units, the allocation provisions are fundamental in determination of pool status of plants and units which do not have designated pool status. Insofar as possible the allocation provisions have been drafted to minimize the possibility of any change in status of plants and units, either as pool or nonpool by virtue of the application of the amended order.

For obvious reasons it is desirable to know a plant's status, either as pool or nonpool, as promptly as possible. The present order provides that any plant which is not a pool plant but which has Class I–A route disposition in the marketing area may, at the election of the operator, assign receipts at such plant directly from dairy farmers or units to such disposition up to an amount sufficient to qualify such plant as a pool plant. This procedure appropriately should be continued as the initial step in the allocation procedure.

The existing order provides special treatment for packaged milk received from a producer-handler and marketed as certified milk in recognition of a particular specialized operation in the market. No change was proposed in this procedure. To accommodate this operation it is provided that prior to the allocation of other receipts, packaged receipts from a producer-handler for marketing as certified milk products shall be deducted from Class I–A and Class I–B milk, respectively, in accordance with their proportionate disposition in such classes.

Under the amended order route sales of fluid milk products into other order markets will be classified and priced as Class I–A and the full Class I price will be returned to New York-New Jersey producers who both furnish the milk and carry the reserve supplies associated with such sales. This procedure treats the milk, for classification and minimum (order) pricing purposes, in the same manner as it would be treated if sold by the handler on routes in the New York-New Jersey market. This treatment is universally prescribed in all other Federal order markets and is equally appropriate for this order.

The essential marketing and economic characteristics of packaged fluid milk products are the same when moved between regulated markets, irrespective of whether such products are distributed directly to retail and consumer outlets or whether in the marketing process they come to rest momentarily at a regulated plant in the receiving market for convenience in further distribution of the products. The treatment of packaged receipts from other order markets should be similar to the treatment of route disposition from other order markets. Accordingly, the allocation procedure provides that receipts of packaged fluid milk products from other order plants should be assigned to Class I–A disposition from the transferee plant.

Under the amended order packaged fluid milk products on hand at the end of the month will be classified as Class I–A. Since such milk has thus been classified and priced as Class I–A in the previous month the application of the order will be accommodated by assignment of opening inventory of packaged fluid milk products to Class I–A disposition in the current month. However, because the current order provides that a handler may choose the disposition to which he will assign his closing inventory it is possible that opening inventory in the first month of operation under the amended order may have been assigned as closing inventory to Class III in the preceding month. In such case the allocation procedure provides for assignment of opening inventory to Class II disposition in the first month of operation.

Certain milk by its very nature must be treated as surplus when received at a pool plant and therefore must be assigned a surplus value. One source is milk received, in either bulk or packaged form, from a producer-handler under this or any other Federal order. Another source is milk produced by the reconstitution to fluid form from manufactured dairy products, such as fluid skim milk made by the addition of water to nonfat dry milk. Still other sources are milk received from a pool handler who receives milk from dairy farmers in specified nearby locations which milk is not pooled under the order and milk received from pool handlers with own farm milk which is exempted from pooling.

Milk produced by producer-handlers under the New York-New Jersey order is exempted from the pooling and pricing provisions. This exemption is based on the principle that the producer-handler assumes the burden of disposing of his milk supplies in excess of his Class I milk needs. Being exempt from certain provisions of the order makes it possible for the producer-handler to retain the full returns from his Class I sales of milk on routes even though such sales are in competition with regulated handlers.

Producer-handlers are primarily engaged in the distribution of Class I milk. Normally they do not maintain facilities for processing and manufacturing milk in excess of their Class I needs. Because of seasonality of milk production and for other reasons, producer-handlers may produce some milk in excess of their Class I needs. The best available outlets for this surplus milk usually are pool plants in the market. In view of a producer-handler's limited capacity for utilizing excess supplies of milk, it is often economically advantageous for him to dispose of such excesses at surplus prices to regulated handlers. Such milk, therefore, would be available to regulated handlers at surplus prices. Under these circumstances it would not be appropriate to allow the regulated handler credit from the producer-settlement fund for any such purchase. It is necessary, therefore, in the furtherance of orderly marketing that such receipts be allocated first to Class II. If any of such milk, notwithstanding, is necessarily assigned to Class I–A disposition, the regulated handler should be obligated to the producer-settlement fund on such milk at the difference between the Class I–A price and Class II price.

Surplus milk purchased from a producer-handler operating under an other order has the same potential for creating disorderly marketing as surplus from producer-handlers operating under this order. Therefore, no distinction in treatment for such milk should be provided.

A rate of payment at the difference between the Class I price and the surplus price on any receipt by a federally-regulated handler of milk from producer-handlers which is assigned to Class I was ratified by Congress at the time provisions of the Agricultural Adjustment Act of 1933, as amended in 1935, authorizing the issuance of milk orders, were reenacted by the passage of the Agricultural Marketing Agreement Act of 1937. During the period between August 24, 1935, and June 3, 1937, the effective date

of the latter act, six Federal milk orders were issued under such Agricultural Adjustment Act. Two of such milk orders (Greater Kansas City, Mo., and Fall River, Mass.) placed in effect during the period, contained provisions requiring handlers who use milk received from producer-handlers in other than the lowest-fluid classification to pay the difference between the class use price and the lowest Class (surplus) price for such milk as part of the handler's total obligation for milk. Such payment was distributed, together with the classified value of producer milk of the handler through the market pool.[1] This procedure is now provided in Federal orders generally.

Notwithstanding the above conclusions the order presently provides that milk received from a producer-handler who produces milk in accordance with methods and standards of the American Association of Medical Commissions for the production of certified milk and which is not received for marketing as certified milk shall be treated as milk received from a dairy farmer. Such milk received at the pool plant of another handler is treated as pool milk. This treatment was adopted to accommodate a specialized operation in the market and there was no proposal for a change in the procedure. Accordingly, this continues to be an exception to the treatment of milk from producer-handlers.

A surplus value likewise is properly assigned to reconstituted fluid milk products (for instance, the result of combining nonfat dry milk or condensed milk with water). The products used in such reconstitution process are made from milk which always carries a manufacturing or surplus value. Producer milk used to produce such products is priced as surplus under all Federal orders. Since the milk used to produce these products is originally priced as surplus milk, payment at the difference between the Class I–A price and the surplus price is necessary to insure competitive equity with producer milk when such products are used to produce fluid milk products. No recognition should be given to processing costs involved in the manufacture of the products derived from unregulated milk and used in reconstitution, since similar costs are involved in processing producer milk into such products.

Nonfat dry milk and condensed milk also may be added to fluid milk products to increase the nonfat solids content thus making so-called "fortified" fluid milk products. The incentive for handlers to use nonfat milk solids to fortify fluid milk products arises from the specific demands of consumers. The increased emphasis on low-fat diets and the high nutritional value of nonfat solids in relation to their weight have contributed to the increased demand for added nonfat solids in fluid milk products. Such products are distinguished from reconstituted products, however, in that the resulting volume of fluid product is not increased appreciably since no water is added.

In the case of fortified products, the volume by which Class I–A sales are increased unquestionably relates to the nonfluid products used for fortification. Such products could be assigned first to this Class I volume and then to the surplus class of use. The same result can be obtained by limiting the charge on fortified fluid milk products disposed of as Class I–A to that which would be made for an equal volume of unfortified products. Nonfluid products will then be uniformly assigned first to the surplus class, with a payment into the producer-settlement fund at the difference between the Class I–A and surplus prices on any amount thereof assigned to Class I–A. Limitation of the Class I volume as described above avoids any payment with respect to nonfat solids used in fortification.

Milk which is received at a pool plant from a handler's plant at which milk is excepted as pool milk by virtue of being received from farms in Nassau and Suffolk Counties in New York (which farms are not approved for sale of milk in New York City) or from farms in New York City and milk received from a handler with own farm milk which is excepted from the pool milk definition, also should be assigned first to Class II milk. Since such milk is not equalized through the pool but is deducted pro rata from the receiving handler's classes of use in the same manner as pool milk, it would be inappropriate to permit such handler to enhance the classification value of such milk by transfer to other pool plants for Class I–A use and thereby displacing pool milk and reducing the value of the pool. The treatment provided such milk at the original plant of receipt is an accommodation in recognition of particular circumstances and there was no proposal for a change in this procedure. However, it would be inappropriate to permit transfers to other plants to be classified in a manner which would disadvantage regular producers.

The order should accommodate the movement of fluid milk products from an unregulated plant or unit to a pool plant under a Class II classification. Milk may be purchased by a pool plant operator from unregulated sources for use in manufacturing operations. When the purchase is for manufacturing, such milk should be allocated to Class II on request of the receiving handler. This procedure will accommodate unregulated plants and units which have surplus milk but do not have available manufacturing facilities since it will make available as an outlet the manufacturing facilities of pool plants without involving the unregulated plant or unit in the regulation. This assignment should follow the assignment of other receipts to which the assignment of a surplus value is essential when received at a pool plant. The assignment at this step, however, must be limited to the available Class II utilization remaining at the transferee plant.

Following the assignment of unregulated receipts for which the handler requests Class II utilization, bulk opening inventories of fluid milk products should be assigned. Such assignment should first be to available Class II use and any remainder should be assigned to Class I–A. Under the revised classification scheme closing inventories of bulk fluid milk products will be classified as Class II. To minimize the incidence of reclassification and accompanying reclassification charges, such inventory should be assigned to Class II in the current month. However, if insufficient Class II utilization is available for such assignment the remainder should be assigned to Class I–A and the handler should be obligated for a payment to the pool at the difference between the Class I–A and Class II price so that his obligation under the order for such milk will reflect its Glass I–A use value. As in the case of packaged inventories, it is desirable that this procedure be modified for the first month of operation under the amended order to permit the assignment of opening inventory to the similar classes of use to which assigned as closing inventory in the preceding month.

When milk is received at a pool plant from unregulated plants and/or units, the pooling status of which is not established, and a Class II classification is not requested by the handler such receipts should be assigned pro rata to Class I–B and II. If the available utilization in such classes is less than the volume of such receipts to be assigned, such assignment to sources should be made in the order of priority designated by the handler and any remainder of such receipts should be assigned to Class I–A utilization at the plant. The supply sources of any receipts so assigned to Class I–A will thus acquire pool or partial pool status, dependent on whether the Class I–A utilization so assigned would qualify such supply source for pooling.

There is always an incentive for milk associated with plants which have a relatively low Class I utilization to seek to be included under a marketwide pool in order to share in the marketwide blended price. The order provides means by which milk (either through plants or units) may establish association with the market and achieve pooling status. Any plant or unit shipping milk to the market which has not acquired pool status has obviously not undertaken to supply its share of milk for the Class I–A market.

Milk which does not have pool status and which is associated with manufacturing outlets clearly should not share in the market pool fund. To pool such milk would simply dilute returns to the

[1] U.S.C. sec. 672, which contains the codified language of sec. 4 of the Agricultural Marketing Agreement Act of 1937, as amended, states in paragraph (a) "Nothing in this Act shall be construed as invalidating any marketing agreement, license, or order, or any regulation relating to or any provision of, or any act of the Secretary of Agriculture in connection with any such agreement, license, or order which has been executed, issued, approved, or done under secs. 601–608, 608a, 608b, 608c, 608d–612, 613, 614–619, 620, 623, 624 of this title, but such marketing agreements, licenses, orders, regulations, provisions, and acts are expressly ratified, legalized, and confirmed."

producers whose milk constitutes the regular supply for the market. Appropriately, therefore, milk from unregulated sources should first be assigned to classes other than Class I–A to the extent available before any assignment is made to Class I–A. The option of the receiving handler to designate the priority of assignment to sources, in the event that there is insufficient utilization available for assignment of all otherwise unregulated milk to classes other than I–A, is presently provided by the order.

Notwithstanding the above conclusions, milk received from an otherwise unregulated plant in the 401 miles and over freight zone at a plant from which 50 percent or more if the gross receipts of skim milk and butterfat leaves the plant in the form of a fluid milk products in consumer packages or dispenser inserts and is classified as Class I–A should be assigned in a separate and subsequent step in the allocation procedure following the assignment of bulk other order milk. Under the present order such receipts are assigned pro rata to classes of utilization in the receiving regulated plant and are pooled; i.e., the milk is accounted for at the respective class prices and is credited at the blended price. This procedure was adopted by the Assistant Secretary in his decision of October 31, 1963 (28 F.R. 11955), official notice of which is taken. There is no basis on this record for changing this procedure.

Through complementary provisions of the New York-New Jersey and Connecticut orders transfers or diversions of fluid milk products from a Connecticut order plant to a New York-New Jersey order plant are classified and priced as Class II under the Connecticut order and assigned pro rata to classes of use other than Class I–B under the New York-New Jersey order. Any such milk thus assigned to Class I–A or Class II is subject to a payment to the Order 2 pool at the difference between the Connecticut Class II price and the applicable class price under the Order 2, adjusted for appropriate differentials including the direct delivery differential. This payment is known as the "Connecticut order differential."

As previously concluded, packaged fluid milk products moving from one Federal order market to another appropriately should be priced under the originating order and the proceeds therefrom should accrue to producers under that order. The allocation and transfer provisions of the amended order will insure this result.

The special treatment provided for Connecticut order milk was adapted in recognition of particular interorder problems and to insure the economic and orderly disposition of Connecticut pool milk in excess of that market's fluid requirements. With respect to bulk movements such milk should continue to be treated in substantially the same manner under the amended order.

It is not apparent that any useful purpose is served by the pro rata assignment of such milk to classes of use. The procedure can be simplified by providing, following the allocation of unregulated milk, for the allocation of such milk to Class II to the extent of available utilization in such class. Receipts in excess of available Class II use should then be assigned to Class I–A and any milk so assigned should be subject to the "Connecticut order differential" in the same manner as in the past.

Following the assignment of Connecticut order milk the handler's receipts of milk from dairy farmers and own production which are excepted from the pool milk definition and from market equalization should be assigned pro rata to remaining utilization in each class. This procedure is followed under the present order and there is no basis on this record for changing the procedure.

At this stage in the allocation procedure only receipts from regulated sources remain. To the extent that any other order receipts remain they should be assigned pro rata to remaining use in each class. Following this assignment receipts from other pool plants and pool units should be subtracted from the remaining utilization in each class in accordance with the classification assigned by the transferee handler. Such requested assignment to use classes may not however exceed the remaining utilization in such classes in the transferee plant. In addition, a handler who receives unregulated milk must be precluded from transferring such milk to a regulated plant at a utilization higher than would have resulted from a direct receipt of such milk at the second plant. Unless the order so provides, it would be possible to use a plant with a high Class I utilization as a conduit for receiving unregulated milk and avoid the allocation provisions of the order which apply to such milk received from unregulated sources.

If the remaining pounds of utilization in all classes exceed receipts from producers the excess should be subtracted from each class in series beginning with Class II. Any amount so subtracted is termed "overage" and the plant operator should be obligated to the pool at the use value of such overage without equalization. Such overage necessarily reflects undisclosed receipts and must be concluded to represent errors in weights and tests of milk from dairy farmers for which the handler must be held responsible.

5. *Modification of the Class I price provisions.* No further changes should be made in the Class I pricing provisions on the basis of this record. Following the hearing emergency action was taken to modify the computation of the utilization percentages in the pricing formula to offset the downward price adjustment reflected through a reduction in the Class I utilization percentages resulting from standardization of fluid milk.

Official notice is taken of the suspension order issued by the Deputy Assistant Secretary on August 25, 1967 (32 F.R. 12596) suspending the utilization percentage (supply-demand provisions) of the New York-New Jersey order and establishing a Class I price level of not less than $6.11 through April 1968. Official notice is also taken of the hearing notice issued by the Acting Deputy Administrator on October 20, 1967, calling a hearing to be convened on December 5, 1967, to consider proposals for revision of the Class I pricing formulas in the Massachusetts-Rhode Island, New York-New Jersey, and Connecticut marketing orders.

Since producers now have assurance of a Class I price level of $6.11 through April 1968 and a hearing is being held to review the entire Class I pricing formula, it is not necessary to consider further modification of the Class I provisions on the basis of this record.

Proponents' concern was for appropriate adjustments to neutralize the effect on price level of the order changes herein adopted to accommodate skim milk and butterfat accounting. This is now assured through April 1968 and it can reasonably be assumed that any amendment resulting from the December 5 hearing will be made effective before May 1968.

6. *Butterfat differential.* Under the existing order it was necessary to provide a different butterfat differential for each class of use for reasons previously set forth in the discussion of the classification provisions. With the adoption of skim milk and butterfat accounting and in recognition of the fact that handlers under the standardization law may now adjust the butterfat content of milk disposed of for fluid uses, it is appropriate to establish a butterfat differential for Class I which more realistically reflects true butterfat values. It was proposed and generally supported at the hearing that a single butterfat differential be applicable to both Class I and Class II milk and that such differential be that now provided for the surplus milk class (Class III).

Appropriately, producers should not be expected to receive a lesser value for their butterfat disposed of for fluid uses than they would otherwise receive for butterfat disposed of for manufacturing purposes. The Class III butterfat differential presently provided reflects the value of butterfat disposed of in 92-score bulk creamery butter in the New York City market and hence the value of butterfat for manufacturing uses. It is concluded therefore to be an appropriate differential for both Class I and Class II milk.

Since handlers in the future will be charged the same value for differential butterfat above or below the basic test at which milk is priced whether used in Class I or Class II, it is unnecessary to clear the differential butterfat through the equalization pool. In order that returns to each producer will reflect the value of his milk at the butterfat test at which such milk is received it is provided that each handler in making payments to each producer, shall adjust the uniform price by the application of the butterfat differential.

7. *Miscellaneous and administrative provisions.*

A. *Pool plant definition.* The pool plant definition has been extended to include a plant which receives no milk from dairy farmers or units and from

which 50 percent or more of the gross receipts of skim milk and butterfat in the form of fluid milk products is disposed of in consumer packages and dispenser inserts in the marketing area, either by direct distribution or to other plants.

Under the terms of the existing order the operator of a plant receiving no milk from dairy farmers or units generally has had no financial obligation to the pool. He is, however, a handler and is required to file his report of receipts and utilization by the 25th day after the end of each month. Any obligation with respect to milk handled at such a plant accrues to the operator of the plant(s), either pool or partial pool, supplying such milk except that, if such supply source is a partial pool plant in the 401 miles and over freight zone, the handler operating the transferee plant is held responsible for the debit or credit arising on milk so received and for payment of the administrative assessment thereon.

Under the revised accounting procedure and in recognition of permissive standardization, it is possible that a bottling plant receiving no milk from dairy farmers or units may use nonfluid products in reconstitution or fortification may have overages or may use some receipts from producer-handlers or Connecticut order plants on which there is a pool obligation. Since such a plant is subject to the same allocation procedure applicable to other pool plants and its pool obligation will be computed in the identical manner as other pool plants the drafting and application of the order will be simplified by providing it pool plant status. As the operator of a pool plant such handler will now be required to file his reports to the market administrator by the eighth day of the month in the same manner as other pool handlers rather than on the 25th day as presently provided.

B. *Announcement of Class I and Class II skim milk and butterfat values.* One of the principle concerns of both producers and handlers at the hearing was with respect to an appropriate basis for ascertaining the actual cost to the handler of skim milk and butterfat, respectively, under the amended order. It was proposed that the market administrator be required to announce these values concurrently with his announcement of the minimum class prices and butterfat differential each month. In this connection it was proposed that the value of a hundredweight of butterfat in each class should be computed by adjusting the basic price for such class for 100 pounds of 3.5 percent milk by the addition of the result obtained by multiplying the butterfat differential by 965. It was also proposed that the value of a hundredweight of skim milk in each class be computed by subtracting from the basic price for such class for 100 pounds of 3.5 percent milk the result obtained by multiplying the butterfat differential by 35.

The market administrator is authorized by the order to prepare and disseminate for the benefit of producers, consumers and handlers such statistics and information concerning the operation of the order as do not reveal confidential information. Therefore, the market administrator may determine the butterfat and skim milk values in the manner desired and announce these values to the industry. In view of this authorization and since the use of these values is not necessary in meeting the requirements of the order, there is no necessity for the order to direct the market administrator to compute and announce these values. Therefore, this proposal is denied.

C. *Computation of net pool obligation of handlers.* The provision prescribing the computation of each handler's net pool obligation has been revised to conform with the steps in the allocation procedure through which the volume of milk on which a pool obligation is due is ascertained. In addition, with the use of a single butterfat differential no adjustment for butterfat content in the various categories will be required except in the case of overages. The redrafting of the provision removes previous references to butterfat differential adjustments except in the case of the computation of the value of overages.

As has been previously stated, the present order provides that with respect to milk received from a partial pool plant in the 401 miles or over freight zone, the debits or credits arising on milk so received and the required administrative assessment on such milk are the responsibility of the handler receiving such milk. To simplify the application and administration of the amended order this obligation and responsibility has been extended to each handler operating a pool plant with respect to milk received from any partial pool plant or partial pool unit. There is no reason to expect that this modification will in any way change a handler's costs of such milk since in the past any such handler presumably paid the partial pool handler the classified use value of milk plus administrative assessment and any agreed upon handling charges. The partial pool handler in turn received debits or credits from the pool and paid the administrative assessment.

Under the revised procedure the pool handler will presumably pay the partial pool handler the blended price plus any agreed upon handling charges and will himself receive debits or credits from the pool and pay the administrative assessment.

Some nonsubstantive reorganization of the order has been made to achieve a format similar to that of Federal orders generally. Other changes not specifically discussed are conforming changes necessary to implement the new accounting procedure, to correct section references, or to remove obsolete order language.

Rulings on Proposed Findings and Conclusions

Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

Certain parties in their briefs renewed their requests made on the hearing record that the testimony of Paul E. Hand be stricken from the record. The hearing officer, after argument, denied the motions to strike. The hearing officer's ruling in this matter is affirmed and the testimony, to the extent that it is relevant to the issues under consideration, has been considered in reaching the conclusions hereinbefore set forth.

General Findings

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended Marketing Agreement and Order Amending the Order

The following order amending the order as amended regulating the handling of milk in the New York-New Jersey marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

DEFINITIONS

§ 1002.1 Act.

"Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended.

§ 1002.2 Secretary.

"Secretary" means the Secretary of Agriculture or any officer or employee of the United States who is, or who may hereafter be, authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

§ 1002.3 Marketing area.

"New York-New Jersey milk marketing area" (hereinafter called the "marketing area") means all of the territory within the boundaries of the city of New York, and the counties and parts of counties set forth in paragraphs (a) and (b) of this section together with all piers, docks, and wharves connected therewith, and all craft moored thereat, and including territory within such boundaries which is occupied by Government (municipal, State, Federal, or international) reservations, installations, institutions, or other establishments.

(a) The city of New York and counties of Nassau, Suffolk (except Fisher's Island), and Westchester in the State of New York (such territory being referred to hereinafter as the "New York metropolitan district").

(b) The following counties and parts of counties in the State of New York: Albany, Broome, Cayuga (except the townships of Sterling, Victory, Conquest, and Montezuma), Chemung, Chenango, Columbia, Cortland, Delaware, Dutchess, that part of Essex consisting of the townships of Schroon, Ticonderoga, Crown Point, and Moriah, Fulton (except the township of Stratford), Greene, Herkimer (except the townships of Webb, Ohio, and Salisbury), Madison, Montgomery, Oneida (except the townships of Ava, Boonville, Forestport, and Florence), Onondaga, Orange, Oswego (except the townships of Redfield and Boylston), Otsego, Putnam, Rensselaer, Rockland, Saratoga (except the townships of Day, Edinburg, and Providence), Schenectady, Schoharie, Schuyler, that part of Steuben consisting of the townships of Addison, Corning, and Erwin, Sullivan, Tioga, Tompkins, Ulster, Warren (except the townships of Johnsburg, Thurman, and Stony Creek), Washington, and Yates (except the townships of Italy, Middlesex, and Potter), and in the State of New Jersey; Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean (except the boroughs of Barnegat Light, Beach Haven, Harvey Cedars, Ship Bottom, Surf City, Tuckerton, and the townships of Eagleswood, Lacey, Little Egg Harbor, Long Beach, Ocean, Stafford, and Union), Passaic, Somerset, Sussex, Union, and Warren.

§ 1002.4 Person.

"Person" means any individual, partnership, corporation, association, or any other business unit.

§ 1002.5 Dairy farmer.

"Dairy farmer" means any person who produces milk.

§ 1002.6 Producer.

"Producer" means any dairy farmer who delivers pool milk as specified in § 1002.14 to a pool plant, a pool unit, a plant specified in § 1002.28(f) (2) which is a partial pool plant, or a partial pool unit whose pool designation was canceled for failure to meet the requirements specified in § 1002.26(a), except that it shall not include any such dairy farmer delivering to such partial pool plant or partial pool unit unless at least 50 percent of his milk delivered to such plant or unit is pool milk pursuant to § 1002.14. Each dairy farmer delivering milk to a partial pool plant or a partial pool unit shall be considered to have delivered pool milk for his proportionate share of total milk delivered by dairy farmers to such plant or unit.

§ 1002.7 Handler.

"Handler" means:

(a) Any person who engages in the handling of skim milk or butterfat, which was received at a pool plant, a partial pool plant, a pool unit or a partial pool unit or at a plant approved by any health authority as a source of skim milk or butterfat for disposition as fluid milk products in the marketing area;

(b) Any person who engages in the handling of fluid milk products, all or a portion of which is shipped to, or received in, the marketing area; or

(c) Any cooperative association with respect to milk which it causes to be delivered from producers to any other handler for the account of such association and for which such association receives payment.

§ 1002.8 Plants.

(a) "Plant" means the land, buildings, surroundings, facilities, and equipment, whether owned or operated by one or more persons, constituting a single operating unit establishment for the receiving, handling, or processing of milk or milk products as determined by the market administrator.

(b) "Pool plant" means any plant which is designated as a pool plant pursuant to § 1002.24 to § 1002.28 and any plant, except an other order plant, which receives no milk from dairy farmers or units and from which 50 percent or more of the gross receipts of skim milk and butterfat in the form of fluid milk products is disposed of in consumer packages and dispenser inserts in the marketing area either by direct distribution or to other plants.

(c) "Partial pool plant" means a plant which is so designated pursuant to § 1002.29.

(d) "Other order plant" means a plant which is fully subject to the pric-

ing and payment provisions of an other order.

§ 1002.9 Units.

(a) "Pool unit" means a bulk tank unit established pursuant to § 1002.25 and which meets the requirements of a pool unit pursuant to such section.

(b) "Partial pool unit" means a bulk tank unit so designated pursuant to § 1002.25(k).

§ 1002.10 Farm.

"Farm" means the production facilities and resources supplying milk to a milk house of a dairy farmer. The location of the farm shall be deemed to be the same as the location of the milk house, and in the event of a change in the location of the dairy farmer's milk house, any question as to whether milk received from the new milk house is from the same or a different farm shall be determined by the market administrator.

§ 1002.11 Own farm milk.

(a) "Own farm milk" means milk received at a plant from a farm operated by the person who is the operator of such plant.

(b) The market administrator shall publicly announce the name of any handler operating a pool plant receiving own farm milk and the location of the plant operated by such handler. This public announcement shall not include the name of:

(1) Any person meeting the definition of producer-handler as set forth in § 1002.12;

(2) Any person receiving no milk from other dairy farmers and selling no more than 100 quarts per day of Class I–A milk to persons in the marketing area other than to other plants; or

(3) A charitable, religious, educational, or governmental institution which is not engaged in the practice of receiving bulk milk from other sources for processing or packaging and is not engaged in the practice of selling packaged milk to persons not associated with such institution.

§ 1002.12 Producer-handler.

"Producer-handler" means a handler who, following the filing of an application pursuant to paragraph (a) of this section, has been so designated by the market administrator upon determination that the requirements of paragraph (b) of this section have been met. Such designation shall be effective on the first of the month after receipt by the market administrator of an application containing complete information on the basis of which the market administrator determines that the requirements of paragraph (b) are being met. The effective date of designation shall be governed by the date of filing new applications in instances where applications previously filed have been denied. All designations shall remain in effect until cancelled pursuant to paragraph (c) of this section.

(a) *Application.* Any handler claiming to meet the requirements of paragraph (b) of this section may file with the market administrator, on forms prescribed by the market administrator, an application for designation as a producer-handler. The application shall contain the following information:

(1) A listing description of all resources and facilities used for the production of milk which are owned or directly or indirectly operated or controlled by the applicant.

(2) A listing and description of all resources and facilities used for the processing or distribution of milk or milk products which are owned, or directly or indirectly operated or controlled by the applicant.

(3) A description of any other resources and facilities used in the production, handling, or processing of milk or milk products in which the applicant in any way has an interest, including any contractual arrangement, and the names of any other persons having or exercising any degree of ownership, management, or control in, or with whom there exists any contractual arrangement with respect to, the applicant's operation either in his capacity as a dairy farmer.

(4) A listing and description of the resources and facilities used in the production, processing, and distribution of milk or milk products which the applicant desires to be determined as his milk production, processing, and distribution unit in connection with his designation as a producer-handler: *Provided,* That all milk production resources and facilities owned, operated, or controlled by the applicant either directly or indirectly shall be considered as constituting a part of the applicant's milk production unit in the absence of proof satisfactory to the market administrator that some portion of such facilities or resources do not constitute an actual or potential source of milk supply for the applicant's operation as a producer-handler.

(5) Such other information as may be required by the market administrator.

(b) *Requirements.* (1) The handler has and exercises (in his capacity as a handler) complete and exclusive control over the operation and management of a plant at which he handles milk received from production facilities and resources (milking herd, buildings housing such herd, and the land on which such buildings are located) the operation and management of which also are under the complete and exclusive control of the handler (in his capacity as a dairy farmer), all of which facilities and resources for the production, processing, and distribution of milk and milk products constitute an integrated operation over which the handler (in his capacity as a producer-handler) has and exercises complete and exclusive control.

(2) The handler, in his capacity as a handler, handles no fluid milk products other than those derived from the milk production facilities and resources designated as constituting the applicant's operation as a producer-handler.

(3) The handler is not, either directly or indirectly, associated with control or management of the operation of another plant or another handler, nor is another handler so associated with his operation.

(4) The handler sells more than an average of 100 quarts per day of Class I–A milk to persons in the marketing area other than to other plants.

(5) In case the plant of the applicant was operated by a handler whose designation as a producer-handler previously had been cancelled pursuant to paragraph (c) of this section, the quantity of fluid milk products handled during the 12 months preceding the application which was derived from sources other than the designated milk production facilities and resources constituting the applicant's operation as a producer-handler is less than the volume set forth for cancellation pursuant to subparagraphs (3) or (4) of paragraph (c) of this section.

(c) *Cancellation.* The designation as a producer-handler shall be cancelled under conditions set forth in subparagraphs (1) and (2) of this paragraph or, except as specified in subparagraphs (3) and (4) of this paragraph, upon determination by the market administrator that any of the requirements of paragraph (b) of this section are not continuing to be met, such cancellation to be effective on the first day of the month following the month in which the requirements were not met.

(1) Milk from the designated production facilities and resources of the producer-handler is delivered in the name of another person as pool milk to another handler or except in the months of June through November with prior notice to the market administrator, a dairy herd, cattle barn, or milking parlor is transferred to another person who uses such facilities or resources for producing milk which is delivered as pool milk to another handler. This provision, however, shall not be deemed to preclude the occasional sale of individual cows from the herd.

(2) A dairy herd, cattle barn, or milking parlor, previously used for the production of milk delivered as pool milk to another handler, is added to the designated milk production facilities and resources of the producer-handler, except in the months of December through May, with prior notice to the market administrator, or if such facilities and resources were a part of the designated production facilities and resources during any of the preceding 12 months. This provision, however, shall not be deemed to preclude the occasional purchase of individual cows for the herd.

(3) If the producer-handler handles an average of more than 150 product pounds per day of fluid milk products which are derived from sources other than the designated milk production facilities and resources, the cancellation of designation shall be effective the first of the month in which he handled such fluid milk products.

(4) If the producer-handler handles fluid milk products derived from sources other than the designated milk production facilities and resources in a volume less than specified in subparagraph (3) of this paragraph, the designation shall be cancelled effective on the first of the month following the third month in any

six-month period in which the producer-handler handled such fluid milk products: *Provided,* That the receipt of up to an average of ten pounds per day of packaged fluid milk products shall not be counted for purposes of this subparagraph.

(d) *Public announcement.* The market administrator shall publicly announce the name, plan, and farm location of persons designated as producer-handlers, and those whose designations have been canceled. Such announcements shall be controlling with respect to the accounting at plants of other handlers for fluid milk products received from such producer-handler on and after the first of the month following the date of such announcement.

(e) *Burden of establishing and maintaining producer-handler status.* The burden rests upon the handler who is designated as a producer-handler (and upon the applicant for such designation) to establish through records required pursuant to § 1002.33 that the requirements set forth in paragraph (b) of this section have been and are continuing to be met and that the conditions set forth in paragraph (c) of this section for cancellation of designation do not exist.

§ 1002.13 Other order.

"Other order" means an order issued by the Secretary pursuant to the Act, which order regulates the handling of milk in a marketing area other than that defined in this part.

§ 1002.14 Pool milk.

"Pool milk" means all skim milk or butterfat contained in milk except as set forth in paragraphs (a) through (k) of this section which is pumped at the farm into a tank mounted on a truck or trailer for a handler who has included such milk in a pool unit, or a partial pool unit or which is delivered direct from a farm to a pool plant or a partial pool plant but is not put into a tank truck prior to such delivery. This definition shall include any milk so delivered by a person defined in § 1002.11(b)(2), by an institution defined in § 1002.11(b)(3), or by a producer-handler designated pursuant to § 1002.12 which milk is produced in accordance with methods and standards of the American Association of Medical Milk Commissions for the production of certified milk and which is delivered in bulk to another handler but for marketing as other than certified milk.

(a) Milk first received at a pool plant which otherwise would be considered producer milk under an other order if all of such milk is assigned to Class II pursuant to § 1002.45(a)(10) and the corresponding step of § 1002.45(b).

(b) Milk received at a pool plant as diverted producer milk under Part 1015 of this chapter.

(c) Milk delivered by a pool unit direct to a plant other than a pool plant or a partial pool plant if such milk is pooled as producer milk under an other order.

(d) Milk which is pumped into a tank truck at the farm for delivery to a handler during any of the months of December through June if any milk from such farm was delivered to such handler as producer milk under an other order during any of the preceding months of July through November unless such farm becomes part of a partial pool unit.

(e) Milk delivered to a partial pool plant set forth in § 1002.29(a) and milk of a partial pool unit pursuant to § 1002.25(k)(1) in excess of the quantity of such milk classified as Class I–A and Class I–B.

(f) Milk delivered to a partial pool plant set forth in § 1002.29(b) and milk of a partial pool unit pursuant to § 1002.25(k)(2) in excess of the quantity of such milk classified as Class I–A, in the marketing area or at a pool plant, except that if milk is shipped from a partial pool plant in the 401 miles and over freight zone to a plant from which 50 percent or more of the gross receipts of skim milk and butterfat in the form of fluid milk products is disposed of in consumer packages and dispenser inserts in the marketing area either by direct distribution or to other plants, all of the milk so shipped shall be considered to be pool milk except as set forth in paragraph (g) of this section.

(g) Milk delivered to a partial pool plant or a partial pool unit if in either case there is a monetary obligation on such milk under an other order.

(h) Milk received from farms in Nassau and Suffolk Counties in New York, which farms are not approved for sale of milk in New York City, and milk received from farms in New York City.

(i) Own farm milk of a handler listed pursuant to § 1002.11(b) not in excess of an average of 800 pounds per day if the handler is not a producer-handler designated pursuant to § 1002.12, and if the volume of skim milk and butterfat in milk handled, other than that derived from own farm milk, does not exceed an average of 1,600 pounds per day.

(j) Own farm milk of an institution as defined pursuant to § 1002.11(b)(3) if such milk is not delivered to a pool plant, a partial pool plant, a pool unit or a partial pool unit.

(k) All skim milk and butterfat handled by:

(1) A producer-handler designated pursuant to § 1002.12 which is derived from such producer-handler's production resources and facilities except as provided in the preamble of this section; or

(2) A producer-handler pursuant to an other order.

§ 1002.15 Fluid milk product.

"Fluid milk product" means all skim milk and butterfat in the form of milk, fluid skim milk, cultured or flavored milk drinks (except eggnog, and yogurt), concentrated fluid milk disposed of in consumer packages, cream (except storage, plastic or sour), half and half (except sour) and any other mixture of cream, milk or skim milk containing less than 18 percent butterfat (other than ice cream, ice cream mixes, evaporated milk, plain or sweetened condensed milk or skim milk and sterilized milk or milk products in hermetically sealed containers): *Provided,* That when any fluid milk product is fortified with nonfat milk solids the amount of skim milk to be included within this definition shall be only that amount equal to the weight of skim milk in an equal volume of an unmodified product of the same nature and butterfat content.

§ 1002.16 Other source milk.

"Other source milk" means all skim milk and butterfat contained in or represented by:

(a) Receipts in the form of fluid milk products from any source other than receipts of pool milk from dairy farmers, receipts from other pool plants and pool units, and receipts of pool milk from partial pool plants and partial pool units;

(b) Receipts in a form other than as a fluid milk product (including those produced at the plant during a prior month) which are reprocessed, converted or combined with another product during the month; and

(c) Receipts in a form other than a fluid milk product for which the handler fails to establish a disposition.

MARKET ADMINISTRATOR

§ 1002.20 Designation.

The agency for the administration of this part shall be a market administrator who shall be a person selected and subject to removal by the Secretary and who shall be entitled to such reasonable compensation as shall be determined by the Secretary.

§ 1002.21 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 1002.22 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including but not limited to the following:

(a) Within 45 days following the date on which he enters upon his duties, execute and deliver to the Secretary a bond, effective as of the day on which he enters upon his duties and conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of the funds received pursuant to § 1002.90:

(1) The cost of his bond and the bonds of his employees,

(2) His own compensation, and

(3) All other expenses necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and, upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly disclose, after reasonable notice, the name of any person who has not made reports pursuant to §§ 1002.30, 1002.31, and 1002.32 or made payments required pursuant to §§ 1002.80, 1002.81, 1002.82, 1002.85, 1002.88, and 1002.90;

(g) Submit his books and records to examination by the Secretary and furnish such information and such verified reports as the Secretary may request;

(h) Verify all reports and payments of each handlers by audit, if necessary, of such handler's records and of the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends;

(i) Maintain a main office and such branch offices as may be necessary;

(j) Promptly notify a handler, upon receipt of the handler's written request therefor, of his determination; as to whether one or more plants exist at a specified location, as to whether any specified item constitutes a part of the handler's plant, or as to which plant a specified item is a part in the event that the particular premises in question constitutes more than one plant: *Provided,* That if the request of the handler is for revision or affirmation of a previous determination, there is set forth in the request a statement of what the handler believes to be the changed conditions which made a new determination necessary. If a handler has been notified in writing of a determination with respect to an establishment operated by him, any revision of such determination shall not be effective prior to the date on which such handler is notified of the revised determination;

(k) Prepare and disseminate for the benefit of producers, consumers, and handlers such satistics and information concerning the operation of this part as do not reveal confidential information;

(l) Place the sums deducted under § 1002.71(c) and retained pursuant to § 1002.83 in an interest-bearing account or accounts in a bank or banks duly approved as a Federal depository for such sums, or invest them in short-term U.S. Government securities.

(m) On or before the date specified, or the next succeeding work day in any month in which such date is a Sunday or holiday, publicly announce the following:

(1) The 25th day of each month:

(i) The monthly wholesale price index for all commodities in the preceding month as reported by the Bureau of Labor Statistics, U.S. Department of Labor, and the resulting index determined pursuant to § 1002.50(a) (1) multiplied by 100;

(ii) The utilization adjustment percentage computed pursuant to § 1002.50 (a) for the following month;

(iii) The preliminary Class I–A price computed pursuant to § 1002.50(a) for the following month;

(iv) The index of the cost of production computed by the New York State College of Agriculture at Cornell University (1910–14 base) converted to a 1955 base;

(v) The index computed by dividing the Class I–A formula price for the following month by $5.20;

(vi) The utilization percentage for the month 1 year earlier than the succeeding month;

(vii) Other statistics relating to economic conditions affecting the market supply and demand for milk.

(2) The fifth day of each month:

(i) The minimum class prices pursuant to § 1002.50;

(ii) The butterfat differential pursuant to § 1002.81;

(iii) The simple average of the daily wholesale selling price per pound (using the midpoint of any price range as one price) reported by the U.S. Department of Agriculture for Grade A or 92-score bulk creamery butter in New York City for the period between the 16th day of the second preceding month and the 15th day, inclusive of the preceding month;

(iv) The average of prices paid in the preceding month by midwestern condenseries as reported by the U.S. Department of Agriculture;

(v) The average price for milk for manufacturing purposes, f.o.b.. plants United States, as reported by the U.S. Department of Agriculture;

(3) The 15th day of each month, the uniform price pursuant to § 1002.71 for the preceding month.

§ 1002.24 Regular pool plants.

A plant may be designated a regular pool plant pursuant to either paragraph (a) or paragraph (b) of this section. Designation shall be applicable to the plant as such and subject to cancellation only pursuant to § 1002.27, regardless of change in the person owning or operating the plant. The market administrator shall be notified by the handlers involved of any transfer from one person to another of ownership or operation of a pool plant.

(a) Any plant shall be designated a pool plant upon determination by the Secretary that the provisions of subparagraphs (1) through (4) of this paragraph have been met. Not later than the end of the month following the month in which an application is received by the Secretary pursuant to subparagraph (1) of this section, the Secretary shall either determine that the provisions of subparagraphs (1) through (4) of this paragraph either have been met or have not been met, or notify the applicant that additional information is needed prior to making a determination. Such designation shall be effective the first of the month following the date of designation and shall continue until such designation is canceled pursuant to § 1002.27: *Provided,* That notwithstanding the provisions of subparagraphs (1) through (4) of this paragraph, any plant which for the month immediately preceding the effective date of this section, had a designation pursuant to § 1002.24 as then in effect, is hereby designated a regular pool plant from the effective date of this section until such designation is canceled pursuant to § 1002.27.

(1) An application by the operator of the plant for such determination has been addressed to the Secretary and filed at the office of the market administrator: *Provided,* That if 50 percent or more of the dairy farmers delivering milk at such plant deliver such milk for the account of a cooperative association which does not operate the plant but for which milk such association receives payment, an application must be filed by such cooperative association as well as the person operating the plant.

(2) The plant is located in New York, New Jersey, or Pennsylvania.

(3) The plant was a pool plant pursuant to paragraphs (a) or (b) of § 1002.28 for each of the 12 months immediately preceding the month during which an application is filed.

(4) The operating requirements of § 1002.26 are being met.

(b) A plant may be designated at any time as a regular pool plant upon application made by the person operating the plant to the Secretary showing that the plant is a replacement for one or more pool plants, designated pursuant to this section, which are operated by him and that substantially all of the dairy farmers delivering milk at the plant previously delivered milk to the pool plant or plants replaced.

§ 1002.25 Bulk tank units.

Any handler receiving milk from farms in a tank truck shall establish such farms in one or more bulk tank units (hereinafter called "units") each consisting of one or more farms, in accordance with provisions of this section. The milk of any farm included in a unit shall be considered for pricing purposes as having been received by the handler in the unit at the nearest point of the township (as determined pursuant to § 1002.51(b)) in which such farm is located. Any handler who receives milk at a pool plant or a plant distributing Class I–A milk in the marketing area which is delivered from a farm to such plant in a tank truck shall be deemed to have received such milk from a unit, pool, partial pool, or nonpool, and any handler who receives bulk milk from a farm in a tank truck containing pool milk shall be deemed to have received such milk from a farm of a unit either pool, partial pool, or nonpool.

(a) Handlers who may establish, maintain, and be responsible for pool units are as follows:

(1) A handler who operates a pool plant or a handler who operates a plant from which Class I–A milk is distributed in the marketing area other than to another plant: *Provided,* That a handler who is affiliated with or is a subsidiary of a handler operating a pool plant may

also operate pool units if both handlers notify the market administrator in writing of such relationship: *Provided further,* That such handler who operates a distributing plant but not a pool plant, to be eligible to maintain a pool unit for any month, must have combined receipts of skim milk and butterfat from such unit for such month classified as Class I–A and I–B in a percentage at least as great as the market percentage of pool milk in Classes I–A and I–B for the same month of the preceding year.

(2) A cooperative handler who does not operate a plant but who receives milk from farms in a tank truck and delivers such milk to plants of other handlers if such cooperative for 12 months has been qualified as a basis for payments pursuant to § 1002.89 or if such cooperative has operated a pool unit for 12 consecutive months: *Provided,* That such cooperative must meet the definition of a cooperative set forth in § 1002.89(a)(1).

(3) Any other cooperative handler who does not operate a plant if such cooperative meets the definition of a cooperative set forth in § 1002.89(a)(1) subject to the conditions of this section.

(4) For the months specified in subdivision (i) or (ii) of this subparagraph, any other handler operating a unit in any of the months of April, May, or June which unit had for such month any skim milk or butterfat classified as Class I–A milk in the marketing area (on some basis other than failure to account for such milk) and had a total Class I–A and Class I–B classification in a percentage at least as great as the market percentage of pool milk in Classes I–A and I–B for the same month in the preceding year.

(i) Such month.

(ii) Each of the months through March following such month except for any month when the Class I–B or combined Class I–A and Class I–B of such unit is less than 60 percent.

(b) The handler may establish the units in any manner chosen by him, subject to the following limitations:

(1) Each unit shall have a headquarters where the basic record of receipts and butterfat tests of milk from each farm are maintained and where there is maintained the basic record of each delivery of milk by each tank truck receiving milk from farms of the unit and related details with respect to the movement of such milk.

(2) Each unit shall be given a name indicating the general geographic area in which farms comprising such unit are located.

(3) The handler shall declare whether each unit is to be operated as a pool unit. Farms from which the milk is to be pooled shall be established in a separate unit from those which are not to be pooled.

(4) Farms in the area specified in paragraph (e) of this section shall be in units separate from farms in the area specified in paragraph (f) of this section.

(c) Except as set forth in subparagraphs (1) through (5) of this paragraph, a handler may declare that a unit is to be operated as a pool unit and at any time may add a farm to a pool unit: *Provided,* That the milk of such unit or farm is delivered to a pool plant or a plant from which Class I–A milk is distributed in the marketing area on one day of the first month in which it is to be pooled and is under full approval for fluid use by the health authority or authorities approving such plant: *Provided further,* That a handler pursuant to paragraph (a)(4) of this section may not add farms to a pool unit during the months of July through March unless his Class I–A skim milk or butterfat utilization exceeds the total receipts of skim milk or butterfat, respectively, in milk from the pool unit, and in the latter case he may add only the smallest number of farms necessary to provide sufficient milk to cover such Class I–A utilization.

(1) If the unit is a declared nonpool unit or if the farm is a part of a declared nonpool unit of such handler, the unit or farm may be changed to a pool status only beginning the first day of a month upon notice to the market administrator by not later than the 10th day of such month. If the notice is filed after the 10th day of the month, the effective date shall be the first day of the following month except as specified in subparagraph (5) of this paragraph.

(2) In the period of December through June, no new pool unit may be established, no nonpool or partial pool unit may be declared to be a pool unit, and no farm may be added to a pool unit if the handler caused, as specified in paragraph (d) of this section, any pool unit or any farm of a pool unit to become nonpool in the period of July through November immediately preceding: *Provided,* That this limitation shall not prevent the handler from including in a pool unit a farm which for the first time has converted from can delivery to bulk tank delivery and from which the handler received as pool milk all milk delivered by such farm in cans for a period of 30 days immediately preceding: *Provided further,* That, except in the case set forth in paragraph (d)(3) of this section, this subparagraph shall not be applicable if the farm which is caused to become nonpool thereby becomes a producer farm under another order with a provision for marketwide equalization.

(3) No farm which was caused to become nonpool may be made a part of a pool unit by a handler set forth in subdivisions (i) through (iv) of this subparagraph until after the passage of a complete April-May-June period following the time such farm was caused to become nonpool:

(i) The handler who caused the farm to become nonpool.

(ii) The handler or other person who received the milk as nonpool milk.

(iii) A handler who is substantially under the same management control, or ownership as the handler or other person set forth in subdivisions (i) or (ii) of this subparagraph.

(iv) A handler who receives the milk through arrangement with the handler or other person set forth in subdivisions (i), (ii), or (iii) of this subparagraph.

(4) A handler may transfer a farm from one pool unit to another of his pool units on the first day of any month upon notice to the market administrator by not later than the 10th day of such month.

(5) A farm shall automatically be added to a pool unit or a nonpool unit shall automatically become a pool unit effective the first day of any month in which any of the skim milk or butterfat in milk of such farm or unit is assigned pursuant to § 1002.45 to Class I–A milk unless the handler is precluded from doing so pursuant to subparagraphs (2) or (3) of this paragraph or unless such milk is considered producer milk under an other order with a provision for marketwide equalization. If some but not all skim milk or butterfat in milk received from such farms previously a part of a nonpool unit is assigned to Class I–A milk the handler operating such unit has until the time of filing the report required pursuant to § 1002.30 to specify which farms are to be added to a pool unit and if upon verification by audit the market administrator finds that other skim milk or butterfat in milk of a declared nonpool unit is assigned to Class I–A milk, the handler operating such unit has until ten days after notification by the market administrator to specify which farms are to be added to a pool unit. In absence of such specification, all eligible farms shall be added to the pool unit.

(d) A handler may cause a pool unit or a farm which is a part of a pool unit to become nonpool by the methods set forth in subparagraphs (1) through (4) of this paragraph: *Provided,* That the failure of a unit to meet the pool requirements set forth in paragraph (f) of this section shall not be considered for purposes of this paragraph to be a change of pool status caused by the handler: *Provided further,* That a handler pursuant to paragraph (a)(4) of this section must continue in a pool unit any farm which was a part of such handler's pool unit in any of the months of April, May, or June preceding from which he receives milk or from which any other handler receives milk through arrangement with him: *Provided further,* That if a unit operated by a handler is reported by another handler which is a cooperative, the actions specified in subparagraphs (1), (2), and (4) of this paragraph must be concurred in by such cooperative handler.

(1) The handler may change the status of a declared pool unit to a declared nonpool unit effective the first day of any month upon notice to the market administrator by not later than the 10th day of such month. If the notice is filed after the 10th day of the month, the effective date shall be the first day of the following month.

(2) The handler may transfer a farm from a pool unit to a nonpool unit effective the first day of any month upon notice to the market administrator by not later than the 10th day of such

month. If the notice is filed after the 10th day of the month, the effective date shall be the first day of the following month.

(3) The handler may so operate a unit located in the area specified in paragraph (e) of this section that its pool status is cancelled pursuant to § 1002.27.

(4) The handler may arrange for the milk of a farm in his pool unit to be delivered to another person as nonpool milk. Any delivery of milk by a farm in a handler's pool unit to another person as nonpool milk shall be considered to have been arranged by such handler unless such handler can establish that such other person is not substantially under the same management, control, or ownership as such handler and that such handler was in no way a party to such nonpool delivery.

(e) A declared pool unit must be operated to meet the requirements set forth in § 1002.26 if the farms of such unit are located in the following area: New York, New Jersey, the counties of Addison, Rutland, and Bennington in Vermont, the county of Berkshire in Massachusetts, or in Pennsylvania. Failure to meet such requirements shall make such declared pool unit subject to suspension and cancellation pursuant to the procedure set forth in § 1002.27. This paragraph shall not be applicable to a cooperative handler specified in paragraph (a) (3) of this section.

(f) A declared pool unit made up of farms located outside the area specified in paragraph (e) of this section or a declared pool unit made up of farms specified in paragraph (e) of this section and operated by a cooperative handler specified in paragraph (a) (3) of this section shall be a pool unit in the months of July through March if at least 25 percent of the milk in such unit is delivered in such month to pool plants, and shall be a pool unit in the months of April through June only if 60 percent of the milk of such unit was received at pool plants during the period of October through December immediately preceding or if such handler received no milk of such unit or from farms of such unit in the preceding October through December.

(g) Any unit declared to be a pool unit shall be designated a pool unit in any month (1) if the handler is qualified in such month pursuant to paragraph (a) of this section, (2) if such unit meets all the requirements of this section applicable to it to be a pool unit, or (3) if the designation of such unit has not been cancelled pursuant to § 1002.27.

(h) Each handler shall report to the market administrator, not later than the 20th day of the month in which this paragraph becomes effective, the name and headquarters of each unit established by him, the identification of the farms included in each unit, and his declared status (pool or nonpool) of each unit. Thereafter, each handler shall report by not later than the 10th day of the month any changes in units during the preceding month and as of the first day of such month.

(i) Whenever the market administrator finds that a handler has received bulk tank milk from a farm required to be included in an established unit but which has not been so included, he shall tentatively assign such farm to a unit and promptly notify the handler of such action. Unless otherwise requested by the handler within 10 days of such notice, the tentative assignment by the market administrator will become final.

(j) Whenever the market administrator finds that a handler has caused milk to become nonpool pursuant to paragraph (d) (4) of this section he shall promptly notify the handler of such finding. Within 10 days of such notice the handler may, except as to any such milk pooled under an other order, (1) make a written claim that the failure to include the milk involved as pool milk was an error and, in such event, the market administrator shall pool such milk and rescind his finding, or (2) make a written offer to submit proof that he had not caused such milk to become nonpool. In the latter event, the market administrator shall examine such proof and shall either rescind his original finding or confirm it. Failure to respond to the market administrator's notice shall be deemed to confirm the finding.

(k) Units other than those which are pool units pursuant to paragraph (g) of this section shall be designated partial pool units if they meet the provisions set forth in subparagraphs (1) and (2) of this paragraph.

(1) Any nonpool unit which would have been automatically made a pool unit pursuant to paragraph (c) (5) of this section except that the handler is precluded from adding farms thereof to a pool unit pursuant to paragraphs (c) (2) or (c) (3) of this section. If a unit of a handler becomes a partial pool unit pursuant to this subparagraph, all of the handler's pool units and partial pool units shall be combined and the skim milk and butterfat in milk of the partial pool units assigned to Class II of such combined total prior to any skim milk and butterfat in the partial pool unit milk being assigned to Class I–A.

(2) Any unit the milk of which fails to meet the pooling requirements of paragraph (f) of this section, or any unit operated by a handler not specified in paragraph (a) of this section, as being eligible to establish and maintain pool units, or any unit made up of farms located in the 401 miles and over freight zone unless the handlers operating such unit is eligible to establish a pool unit and has specifically requested such unit to be so designated.

(l) The market administrator shall publicly announce the names of handlers establishing pool units and the names and headquarters of such units. He shall also publicly announce any change in the pool status of such units, and the names of handlers who are ineligible to add farms to a pool unit under the terms set forth in paragraph (c) (3) of this section.

§ 1002.26 Operating requirements.

The person operating a pool plant designated pursuant to § 1002.28 or a declared pool unit consisting of farms in the area specified in § 1002.25(e) shall stipulate to each of the following requirements:

(a) Be willing to dispose of as Class I–A milk in the marketing area milk received at the plant or on the unit from dairy farmers and agree that if a plant designation is canceled for failure to meet this requirement, the Class I–A and Class I–B milk of such plant through the partial pool plant provision shall be priced and equalized from the effective date of cancellation through the following June 30.

(b) Keep such control over the sanitary conditions under which milk received at the plant or on the unit is produced and handled that the milk can meet the requirements of a source of milk for the marketing area: *Provided*, That approval by a health authority of the plant as a source of milk for the marketing area shall constitute sufficient evidence that this requirement is being met even though such approval is restricted to prohibit shipment to the marketing area of milk for specified periods during which permission is given by such health authority for receiving unapproved milk or skim milk at the plant or for shipment of approved skim milk from such plant; and

(c) Have no commitments for disposition of milk that prevent him from utilizing milk as set forth in §1002.27(g).

§ 1002.27 Suspension and cancellation of designation.

The designation of a pool plant pursuant to § 1002.24 or of a declared pool unit consisting of farms in the area specified in § 1002.25(e) may be suspended or canceled under any of the following provisions:

(a) The designation shall be canceled effective on the first of the month following the filing with the market administrator, and on a form prescribed by him, of an application by the handler operating the plant: *Provided*, That a plant whose designation is so canceled on the first of any of the months of August through November shall be a pool plant if it meets the provisions of paragraph (e) of § 1002.28, and shall not be a pool plant pursuant to any other provision of this order prior to December 1 following such cancellation: *Provided further*, That such application for cancellation shall be accompanied by proof that the handler, if not a cooperative association qualified pursuant to § 1002.89 has notified any qualified cooperative association which has any members who deliver milk to such plant, and has notified individually all producers delivering to such plant who are not members of such qualified cooperative association, of his intention to make such application: *Provided further*, That if 50 percent or more of the producers delivering milk at such plant deliver such milk for the account of a cooperative association which does not operate the plant but

for which milk such association receives payment, an application must be made by such cooperative association as well as by the handler operating the plant: *Provided further,* That if a handler applies for a replacement designation pursuant to § 1002.24(v), the designation of the plant or plants replaced shall be canceled automatically at the time the replacement designation becomes effective.

(b) The designation of any plant which on June 15 of any year is not approved by a health authority as a source of milk for the marketing area shall be automatically suspended effective on August 1 of such year unless the absence of such approval is a temporary condition covering a period of not more than 15 days: *Provided,* That the designation of a plant approved by a health authority as a source of milk for the marketing area, even though such approval is restricted to prohibit shipment to the marketing area of milk for specified periods during which permission is given by such health authority for receiving unapproved milk or skim milk at the plant or for shipment of approved skim milk from such plant, shall not be suspended pursuant to this provision.

(c) The designation of any plant or unit shall be suspended, effective no sooner than 10 days nor later than 20 days after the date of mailing of notice, by registered letter, to the handler, whenever the market administrator, subject to the limitations set forth in paragraphs (g) and (i) of this section, finds on the basis of available information that the handler operating the plant or unit is not meeting the requirements set forth in § 1002.26: *Provided,* That, if the handler operating the plant or unit is not a cooperative association qualified pursuant to § 1002.89, the market administrator shall notify any qualified cooperative association which has any members who deliver milk to such plant or unit, and shall also notify individually all producers delivering to such plant or unit who are not members of such qualified cooperative association, of such suspension of designation.

(d) In the case of suspension pursuant to this section of the designation of one or more plants or units for failure to meet the requirements of § 1002.26 (a) or (c) the handler operating such plant or unit may select, prior to the effective date of such suspension, one or more other pool plants or pool units consisting of farms in the area specified in § 1002.25(e) for suspension in lieu thereof if, during the preceding month, the quantity of pool milk received from producers at such substituted plants or units was not less than the quantity of pool milk received from producers at the plants or units named for suspension. The handler may also select the order in which plant or unit designations are to be canceled in the event of a later determination by the Secretary canceling the designation of some but not all of the plants or units suspended.

(e) Not later than 10 days after the effective date of suspension of designation pursuant to this section, the handler operating the plant or unit may apply to the Secretary for a review. If the handler fails to so apply for such review, the designation shall be canceled as of the effective date of the suspension. If the handler does so apply, the Secretary shall, after review, either determine that the requirements set forth in § 1002.26 have been met and order the suspension revoked, or determine that such requirements have not been met and order the designation canceled as of the effective date of the suspension: *Provided,* That, if the Secretary has made no determination within two months after the end of the month in which the suspension was made effective, but later orders the designation canceled, such cancellation shall be effective as of the first of the month following the date of such determination.

(f) Beginning with the effective date of a suspension pursuant to this section, and until the Secretary has either ordered the designation canceled or ordered the suspension revoked, the plant or unit shall be treated as a pool plant or pool unit: *Provided,* That all payments into or out of this producer settlement fund (except such payments on the basis of operations during a month in which the plant meets the requirements of § 1002.28 or the unit meets the requirements of § 1002.25(g)) shall be held in reserve by the market administrator until an order is issued by the Secretary, but not longer than 2 months after the end of the month in which the suspension was made effective.

(g) No pool plant or pool unit designation shall be suspended for failure to meet the requirements of § 1002.26(a) except under the following conditions:

(1) A meeting has been held no sooner than three days after notice by the market administrator to all handlers operating pool plants designated pursuant to § 1002.24 or pool units consisting of farms in the area specified in § 1002.25(e) for consideration of the desirable utilization of milk received from producers during a period ending not later than the end of the second month after the month during which such meeting is held.

(2) There has been issued by the market administrator, following such meeting, and mailed to all handlers operating pool plants designated pursuant to § 1002.24 or pool units consisting of farms in the area specified in § 1002.25(e) the market administrator's determination of the desirable utilization of milk received from producers each month during all or a part of the period set forth in subparagraph (1) of this paragraph. Such determination shall include a schedule setting forth, by months, the desired minimum percentage of pool milk received from producers to be utilized in specified classes. Such specified classes shall include Class I–A in the marketing area, and may include all or a part of other Class I–A and Class I–B.

(3) The market administrator finds on the basis of available information that the handler operating a plant or unit or the cooperative reporting a plant or unit is not utilizing milk received from producers in accordance with the minimum percentage set forth in the determination of the market administrator previously announced pursuant to subparagraph (2) of this paragraph: *Provided,* That the suspension of the designation of a plant or unit may be made effective during the months of November and December if the market administrator finds that the handler is utilizing any milk received from producers in classes other than those set forth in the determination of the market administrator announced pursuant to subparagraph (2) of this paragraph.

(h) The cancellation of pool plant or pool unit designation for failure to meet the requirements of § 1002.26(a) shall be subject to the following conditions:

(1) No pool plant or pool unit designation shall be canceled if the handler operating the plant or unit utilized the milk received by him from producers during the month in which the suspension is made effective in accordance with the minimum percentage set forth in the determination of the market administrator announced pursuant to paragraph (g) (2) of this section.

(2) No pool plant or pool unit designation shall be canceled if the handler operating the plant or unit utilized in the specified classes set forth in the determination of the market administrator announced pursuant to paragraph (g) (2) of this section a percentage of the total milk received by him from producers during the month in which the suspension is made effective which is not less than the percentage of the total pool milk reported by all handlers for such month to have been used in the specified classes.

(3) In the event that all milk received from producers at a plant or unit is reported to the market administrator by a cooperative association qualified pursuant to § 1002.89 and such association pays the producer for such milk, the pool plant or pool unit designation shall not be canceled if a percentage of all milk reported by such cooperative association is utilized in accordance with the minimum percentage set forth in the determination of the market administrator announced pursuant to paragraph (g) (2) of this section, or in accordance with the percentage set forth in subparagraph (2) of this paragraph.

(4) Cancellation of designations shall be limited to those plants or units necessary to result in a utilization of milk received at the remaining pool plants and pool units operated by the handler, or reported by the cooperative, as the case may be, in accordance with the minimum percentage set forth in the determination of the market administrator announced pursuant to paragraph (g) (2) of this section.

(i) Loss of approval by health authorities of a plant as a source of milk for the marketing area may in itself consititute adequate reason for the market administrator to suspend the designation of plant for failure to meet the requirements of § 1002.26(b) only if the absence of such approval continues for more than 15 days.

(j) The designation shall be canceled effective on the first of the month following three consecutive months if in the absence of this designation milk received from dairy farmers and units at the plant would have been classified and priced under an other order with a provision for marketwide equalization and if in each of such months the percentage of milk received from dairy farmers and units at the plant which is classified as Class I–A and disposed of in the marketing area defined in such other order is greater than the percentage of such milk so classified and disposed of in this marketing area.

§ 1002.28 Temporary pool plants.

Except for plants which, pursuant to paragraph (e) of this section, are not eligible for designation, any plant not designated pursuant to § 1002.24 shall automatically be designated a pool plant in accordance with provisions of paragraphs (a) through (d) of this section: *Provided,* That no plant shall be a pool plant pursuant to this section in any month in which it is a pool plant pursuant to provisions of Part 1015 of this chapter, or in any of the months of December through June if it was a pool plant pursuant to provisions of Part 1015 of this chapter in each of the preceding months of July through November: *Provided further,* That no plant shall be a pool plant pursuant to this section if, in the absence of this provision, milk received from dairy farmers and units at the plant would be classified and priced under an other order with a provision for marketwide equalization, and if the percentage of the milk received from dairy farmers and units at the plant which is classified in Class I–A and disposed of in the marketing area defined in such other order is greater than the percentage of such milk so classified and disposed of in this marketing area.

(a) For any of the months of January through March and July through December, any plant at which 25 percent or more of the combined receipts of skim milk and butterfat in milk from dairy farmers and units is classified as Class I–A in the marketing area or as Class I–A on the basis of a transfer to a pool plant on some basis other than the failure to account for such milk shall automatically be designated a pool plant for such month: *Provided,* That at the option of the handler the plant shall not be a pool plant if less than 25 percent of such combined receipts of skim milk and butterfat in milk from other than pool units is classified in such Class I–A.

(b) For any of the months of April, May, or June, any plant at which during the preceding period of October, November, and December either (1) no milk was received from dairy farmers or units, or (2) 60 percent or more of the combined receipts of skim milk and butterfat in milk received from dairy farmers and units was classified in Class I–A in the marketing area or as Class I–A on the basis of a transfer to a pool plant, on some basis other than the failure to account for such milk, shall automatically be designated a pool plant for any of such months of April, May, or June in which 10 percent or more of the combined receipts of skim milk and butterfat in milk received from dairy farmers and units is classified in Class I–A in the marketing area or as Class I–A on the basis of a transfer to a pool plant, on some basis other than the failure to account for such milk: *Provided,* That at the option of the handler the plant shall not be a pool plant if less than 10 percent of combined receipts of skim milk and butterfat in such milk from other than pool units is classified in such Class I–A.

(c) Any plant which is a pool plant in any of the months of April, May, or June on the basis of paragraph (b) of this section or on the basis of paragraph (d) of this section and in the latter case, the percentage of combined receipts of skim milk and butterfat in milk from dairy farmers and units classified in Class I–A in the marketing area or as Class I–A on the basis of a transfer to a pool plant, is at least as great as the market percentage of pool milk in Classes I–A and I–B for the same month of the previous year, shall be a pool plant in any of the months of July through March following in which 60 percent or more of the combined receipts of skim milk and butterfat in milk received at the plant from dairy farmers and units is classified in Class I–A, Class I–B, or Classes I–A and I–B combined.

(d) Any plant which for any month is not a pool plant because of failure to meet the requirements of paragraph (a), (b), or (c) of this section shall be a pool plant in any month in which a daily average of at least 800 pounds of combined receipts of skim milk and butterfat in milk received from dairy farmers and units is classified as Class I–A in the marketing area or as Class I–A on the basis of a transfer to a pool plant, on some basis other than failure to account for such milk and if the percentage of combined receipts of skim milk and butterfat in milk classified as Class I–A and Class I–B is at least as great as the market percentage of pool milk in Classes I–A and I–B for the same month in the preceding year: *Provided,* That at the option of the handler, the plant shall not be a pool plant if none of the skim milk or butterfat in such milk from other than pool units is classified in such Class I–A: *Provided further,* That such plant shall not be a pool plant on the basis of this paragraph if it is located in the 401 miles and over freight zone.

(e) A plant whose regular pool plant designation has been canceled at the request of the handler on the first of any of the months of August through November shall be a pool plant in any month through November 30 following such cancellation if the percentage of the combined receipts of skim milk and butterfat in milk received from dairy farmers and units classified in Class I–A, Class I–B or Classes I–A and I–B combined is at least as great as the market percentage of pool milk in Classes I–A and I–B for the same month in the preceding year unless such plant qualifies as a pool plant under an other order with a provision for marketwide equalization.

(f) A plant shall not be a pool plant on the basis of this section for the periods and under the conditions set forth in subparagraphs (1), (2), and (3) of this paragraph:

(1) If the pool plant designation was canceled on the first of August, September, October, or November pursuant to § 1002.27(a) for the period through November 30 except as specified in paragraph (e) of this section.

(2) If the pool plant designation was canceled pursuant to § 1002.27 for failure to meet the requirements of § 1002.26 (a), for the period from the date the cancellation was effective through the following June 30.

(3) If the plant was a pool plant pursuant to provisions of Part 1015 of this chapter in each of the months of July through November of any year, for the months of December through June following.

(g) At the time of announcing the uniform price for each month, the market administrator shall make public the location and name of the operator of any plant for which a report of receipts from dairy farmers was used in the computation of that uniform price.

§ 1002.29 Partial pool plants.

The following plants not designated pool plants pursuant to §§ 1002.24 and 1002.28, which plants distribute fluid milk products in the marketing area or transfer fluid milk products to a pool plant shall be designated partial pool plants:

(a) Plants set forth in § 1002.28(f): *Provided,* That a plant specified in subparagraph (3) of such paragraph shall be a partial pool plant only if such plant classified skim milk or butterfat in milk received from dairy farmers or nonpool units in Class I–A on some basis other than failure to account for such milk and if such plant is not a pool plant under an other order with a provision for marketwide equalization.

(b) Plants other than those set forth in paragraph (a) of this section which have some skim milk or butterfat in milk received from dairy farmers or nonpool units classified in Class I–A on some basis other than failure to account for such milk, except a plant which would otherwise qualify as a pool plant pursuant to § 1002.28(d) but which has less than a daily average of 800 pounds of skim milk or butterfat in milk received from dairy farmers or units classified in Class I–A in the marketing area on some basis other than failure to account for such milk.

REPORTS OF HANDLERS

§ 1002.30 Reports of receipts and utilization.

Each handler, except a handler receiving own farm milk and not required to be listed pursuant either to § 1002.11 or § 1002.12, shall report each month to the market administrator for the preceding

month in the manner and on the forms prescribed by the market administrator with respect to each of his pool plants or partial pool plants and each of his pool units or partial pool units, the information set forth in paragraphs (a) through (d) of this section. Such report, if transmitted by mail, shall bear a postmark no later than the eighth day of the month and if not so mailed, shall be delivered physically to the office of the market administrator no later than the close of business on the 10th day of the month.

(a) The quantity of skim milk and butterfat contained in:

(1) Receipts of milk from producers;

(2) Receipts of fluid milk products from other pool plants or partial pool plants and from pool units or partial pool units; and

(3) Receipts of other source milk.

(b) Inventories of fluid milk products on hand at the beginning and the end of the month;

(c) The utilization of all skim milk and butterfat required to be reported pursuant to this section, including the destination of any fluid milk product, the classification of which wholly or partially depends upon its destination; and

(d) The computation pursuant to § 1002.70 of such handler's net pool obligation.

§ 1002.31 Producer payroll reports.

Each handler shall report with respect to producers as set forth in paragraphs (a) and (b) of this section:

(a) On or before the 10th day after the end of each month, the information required by the market administrator with respect to producer additions, producer withdrawals, and changes in names of farm operators; and

(b) On or before the last day of each month such handler's producer payroll for the preceding month, which shall show for each producer:

(1) The total pounds of milk from such producer;

(2) The average butterfat content of such milk: *Provided,* That if no butterfat tests are made on any of the milk received from producers, and if such milk is received by the handler from no more than 10 producers, 3.5 percent shall be reported as the average butterfat test of milk received from producers;

(3) The amount of payment due each producer;

(4) The nature and amount of any deductions and charges made by the handler;

(5) The net amount of payment to such producer; and

(6) Such other information with respect thereto as the market administrator shall require.

§ 1002.32 Other reports.

At such time as the market administrator may request, each handler shall report to the market administrator in the manner and on forms prescribed by the market administrator:

(a) The quantities of skim milk and butterfat in milk and each milk product received at his nonpool plants, from dairy farmers, from other plants or nonpool units, from such handler's own farm, from other handlers, and from other sources;

(b) The quantities of skim milk and butterfat in milk and each milk product moved out of, or on hand at, his nonpool plants and the destination of such skim milk and butterfat;

(c) Information concerning land, buildings, surroundings, facilities and equipment at any of his plants;

(d) The current receipts and utilization of skim milk and butterfat at each of his pool plants and pool units; and

(e) Such other information as may be necessary for the administration of the provisions of this part.

§ 1002.33 Records and facilities.

Each handler shall maintain and make available to the market administrator or his representative during the usual hours of business such records and facilities, of his own or other persons, as are necessary for the market administrator to:

(a) Verify and in the case of errors or omissions, ascertain the correct figures.

(1) The receipts and utilization of all skim milk and butterfat handled in any form;

(2) The weights and tests for butterfat and other content of all milk and milk products handled;

(3) The pounds of skim milk and butterfat contained in or represented by all items in inventory at the beginning and end of each month;

(4) Payments to producers and cooperative associations;

(5) Other information required to be reported; and

(6) All claims for payments pursuant to § 1002.89.

(b) Make inspection of buildings and their surroundings, facilities, and equipment for verification purposes and to ascertain what constitutes a plant and the production, processing, and distribution resources and facilities of a producer-handler's operation; and

(c) Verify that the requirements for designation as a producer-handler have been and are being met.

§ 1002.34 Retention of records.

All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the calendar month to which such books and records pertain: *Provided,* That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c(15)(a) of the Act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 1002.40 Skim milk and butterfat to be classified.

All skim milk and butterfat required to be reported by each handler pursuant to §§ 1002.30 and 1002.32 shall be classified each month pursuant to the provisions of §§ 1002.41 through 1002.46. If any of the water contained in the milk from which a product is made is removed before the product is utilized or disposed of by a handler, the pounds of skim milk used or disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such products plus all the water originally associated with such solids.

§ 1002.41 Classes of utilization.

Subject to the conditions set forth in §§ 1002.42 through 1002.46 the classes of utilization shall be as follows:

(a) Class I–A milk shall be all skim milk and butterfat:

(1) Disposed of as a fluid milk product:

(i) Inside the marketing area;

(ii) As route disposition in an other order marketing area;

(iii) To an other order plant and assigned under such other order to Class I;

(iv) In packaged form to an other order plant if such product is not defined as a fluid milk product under such other order;

(v) To a partially regulated plant under an other order and there applied as as offset to Class I sales in any other order market.

(2) Contained in inventory of packaged fluid milk products on hand at the end of the month except as provided in subparagraph (c)(4) of this section; and

(3) Not specifically accounted for as Class I–B or Class II milk.

(b) Class I–B milk shall be all skim milk and butterfat:

(1) Disposed of as a fluid milk product outside the marketing area, except as provided in subdivision (ii) through (iv) of paragraph (a)(1) and (c) (4), (5), and (6) of this section; and

(2) In shrinkage allocated to Class I–B pursuant to § 1002.42.

(c) Class II milk shall be all skim milk and butterfat:

(1) Disposed of in any product other than a fluid milk product;

(2) Disposed of as a fluid milk product in bulk to any establishment (other than a plant defined in § 1002.8) at which food products are processed and packed in hermetically sealed containers and at which establishment there is no disposition of fluid milk products other than those received in consumer packages for consumption on the premises;

(3) Disposed of in the form of cream which is moved to a licensed cold storage warehouse;

(4) Contained in inventory of fluid milk products in bulk which are on hand at the end of the month and also with respect to any plant not defined in

§ 1002.8 (b) or (d), in inventory of fluid milk products in packaged form;

(5) Disposed of as a packaged fluid milk product to an other order plant and assigned under such other order as a fluid milk product to Class II;

(6) Disposed of in bulk as a fluid milk product to an other order plant and assigned to Class II under such other order;

(7) In shrinkage allocated to Class II pursuant to § 1002.42; and

(8) In skim milk represented by the nonfat solids added to a fluid milk product for fortification which is in excess of the volume included within the fluid milk product definition pursuant to § 1002.15.

§ 1002.42 Shrinkage.

Shrinkage shall be classified at each plant or unit as follows:

(a) Compute the total shrinkage of skim milk and butterfat respectively at each plant or unit.

(b) Such shrinkage shall be assigned pro rata to classes of use in accordance with the respective volumes of skim milk and butterfat actually accounted for in each class: *Provided,* That shrinkage assigned to Class II shall not exceed 2 percent of the skim milk and butterfat, respectively, in such class actually accounted for and any excess thereof shall be classified as Class I–A.

§ 1002.43 Responsibility of handlers and the reclassification of milk.

(a) All skim milk and butterfat shall be Class I–A milk unless the handler who first receives such skim milk and butterfat should be classified otherwise.

(b) Any skim milk or butterfat shall be reclassified if verification by the market administrator discloses that the original classification was incorrect.

§ 1002.44 Transfers.

Skim milk and butterfat transferred in the form of a fluid milk product from a pool unit or a pool plant to any other plant shall be classified:

(a) As Class I–A milk if transferred to the plant of a handler listed pursuant to § 1002.12 or to a producer-handler under an other order;

(b) In accordance with its assignment at the transferee plant pursuant to § 1002.45(a)(15) and the corresponding step of § 1002.45(b) if transferred from a pool unit, a pool plant as defined in § 1002.8(b) (except a pool plant pursuant to § 1002.28 other than a pool plant pursuant to the proviso of the preamble of § 1002.45), to a pool plant as defined in § 1002.8(b).

(c) In accordance with its assignment at the transferee plant pursuant to § 1002.45(a) (13) and (14) and the corresponding step of § 1002.45(b) if transferred from any plant for which pool status is conditioned on assignment pursuant to § 1002.45 (9), (13), and (14) and the corresponding step of § 1002.45 (b) to a pool plant as defined in § 1002.8(b).

(d) As follows, if transferred to an other order plant:

(1) If transferred in packaged form classification shall be in the classes (either I–A or II) to which allocated as a fluid milk product under the other order: *Provided,* That if such product is not a fluid milk product under such other order classification shall be as Class I–A;

(2) If transferred in bulk and the operators of both the transferor and transferee plants so request in their reports of receipts and utilization filed with their respective market administrators, classification shall be as Class II milk to the extent of the Class II utilization available for such assignment at the applicable step in the allocation provisions of the transferee order;

(3) Except as provided in subparagraph (2) of this paragraph if transferred in bulk classification shall be in the classes (either Class I–A or II) to which allocated under such other order.

(e) As Class I–A if transferred in packaged or bulk to a plant which is not a plant as defined in § 1002.8 (b) or (d), nor a producer-handler plant under an other order, unless the requirements of subparagraphs (1) and (2) of this paragraph are met, in which case the skim milk and butterfat so transferred shall be classified in accordance with the assignment resulting from subparagraph (3) of this paragraph:

(1) The transferring handler claims classification pursuant to the assignment set forth in subparagraph (3) of this paragraph in his report submitted to the market administrator pursuant to § 1002.30 for the month within which such transaction occurred;

(2) The operator of such transferee plant maintains books and records showing the utilization of all skim milk and butterfat received at such plant which are made available if requested by the market administrator for the purpose of verification;

(3) The skim milk and butterfat so transferred shall be classified on the basis of the following assignment of utilization at such transferee plant:

(i) Packaged receipts of fluid milk products from Federal order sources shall first be assigned to route disposition in Federal order marketing areas (assigning receipts to sales in the same market to the extent possible) and any residual shall be assigned to I–B route sales.

(ii) Such bulk transfers and other bulk receipts at such transferee plant from other order plants shall next be assigned to any remaining route disposition in any Federal order marketing area. For this purpose receipts from each Federal order market shall first be assigned to remaining route sales in such marketing area and any remainder of such receipts shall be prorated with all Federal order receipts to remaining route disposition in all Federal order marketing areas.

(iii) Receipts from dairy farmers shall then be assigned to any remaining route sales in the marketing area.

(iv) Remaining receipts from dairy farmers and other unregulated other source receipts (excluding opening inventory) in the form of fluid milk products shall be assigned pro rata to Class I–B and Class II utilization at such plant to the extent of such utilization available at such plant and any remainder of such receipts shall be assigned pro rata to Class I–A bulk sales to plants regulated under this order and Class I–A bulk sales to plants regulated under other orders.

(v) Any remaining receipts being assigned pursuant to this subparagraph shall be assigned pro rata with remaining receipts from other order plants, first to remaining Class I–A utilization, then Class I–B utilization and finally to Class II utilization at such plant: *Provided,* That if on inspection of the books and records of such plant the market administrator finds that there is insufficient utilization to cover such receipts, the remainder shall be classified as Class I–A.

§ 1002.45 Allocation of skim milk and butterfat classified.

The classification of milk received from producers at each pool plant or pool unit for each handler shall be determined each month pursuant to paragraph (a), (b), and (c) of this section: *Provided,* That for the purpose of establishing the pool status of any plant with Class I–A route disposition in the marketing area which is not a pool plant pursuant to § 1002.24, skim milk and butterfat in milk received at such plant directly from dairy farmers or units up to an amount sufficient to qualify such plant as a pool plant pursuant to § 1002.28 (a) or (b) shall be considered the source of such I–A route disposition of such plant and be subtracted from Class I–A prior to the application of the allocation sequence set forth in paragraphs (a) and (b) of this section, unless at the time of filing his report pursuant to § 1002.30 the handler elects not to have it so allocated.

(a) Skim milk shall be allocated in the following maner:

(1) Subtract the pounds of skim milk received in packaged form from a producer-handler for marketing as certified fluid milk products from the total pounds of skim milk in Class I–A and Class I–B milk, respectively, in accordance with its proportionate disposition in such classes;

(2) Subtract from the remaining pounds of skim milk in Class I–A milk the pounds of skim milk in packaged fluid milk products received from other order plants;

(3) Subtract from the remaining pounds of skim milk in Class I–A milk the pounds of skim milk in inventory of packaged fluid milk products on hand at the beginning of the month: *Provided,* That for the first month of operation under this amended order such pounds of skim milk shall be subtracted from Class I–A, if classified as I–A, I–B, or Class II in the preceding month and from Class II if classified as Class III in the preceding month;

(4) Subtract from the pounds of skim milk remaining in each class in series beginning with Class II milk the pounds of skim milk in receipts of other source milk in a form other than that of a fluid milk product;

(5) Subtract in the order specified below from the pounds of skim milk remaining in Class I–A and Class II milk, in series beginning with Class II milk, the pounds of skim milk in:

(i) Receipts of fluid milk products from a producer-handler pursuant to an other order or a producer-handler defined pursuant to § 1002.12 (except pool milk designated in the preamble of § 1002.14).

(ii) Receipts of fluid milk products from a handler's plant at which milk is excepted from the pool milk definition pursuant to § 1002.14(h).

(iii) Receipts of fluid milk products from a handler with own farm milk which milk is excepted from the pool milk definition pursuant to § 1002.14(i).

(6) Subtract from the pounds of skim milk remaining in Class II milk the pounds of skim milk in receipts of other source milk in the form of fluid milk products from plants other than those defined in § 1002.8 (b) or (d) and units other than pool units for which the handler requests a Class II classification, but not in any case to exceed the pounds of skim milk remaining in such class;

(7) Subtract from the remaining pounds of skim milk in Class I–A and Class II milk, in series beginning with Class II milk, the pounds of skim milk in inventory of fluid milk products in bulk on hand at the beginning of the month: *Provided,* That for the first month of operation under this amended order such pounds of skim milk shall be subtracted from Class I–A if classified as Class I–A, I–B, or II in the preceding month and from Class II if classified as Class III in the preceding month;

(8) (i) Subtract pro rata from the pounds of skim milk remaining in Class I–B and Class II milk the remaining pounds of skim milk in receipts of other source milk in the form of fluid milk products from plants not defined pursuant to § 1002.8 (b) or (d) and from units other than pool units: *Provided,* That if the pounds of skim milk to be assigned pursuant to this subparagraph exceed the available pounds of skim milk in Class I–B and Class II, the handler shall designate the priority of sources to be assigned to such classes.

(ii) No assignment shall be made pursuant to this subparagraph with respect to milk received from a plant not defined pursuant to § 1002.8 (b) or (d) in the 401 miles and over freight zone at a plant from which 50 percent or more of the gross receipts of skim milk and butterfat leaves the plant in the form of fluid milk products in consumer packages or dispenser inserts and is classified as Class I–A;

(9) Subtract from the remaining pounds of skim milk in Class II milk the pounds of skim milk in bulk receipts of fluid milk products pooled and priced under Part 1015, but not in any case to exceed the pounds of skim milk remaining in such class;

(10) Subtract from the remaining pounds of skim milk in Class II milk the pounds of skim milk in bulk receipts of fluid milk products from other order plants for which a Class II classification is requested by both the transferor and transferee handler in filing reports of receipts and utilization for the month with their respective market administrators, but not in any case to exceed the pounds of skim milk remaining in such class;

(11) Subtract pro rata from the remaining pounds of skim milk in each class the pounds of skim milk in receipts from dairy farmers and from the handler's own farm which are excepted from the pool milk definition pursuant to § 1002.14 (h) and (i);

(12) Subtract pro rata from the remaining pounds of skim milk in each class the pounds of skim milk in bulk receipts of fluid milk products from other order plants not previously assigned pursuant to subparagraphs (9) and (10) of this paragraph;

(13) If the plant at which assignment is being made is a plant, from which 50 percent or more of the gross receipts of skim milk and butterfat in the form of fluid milk products left the plant in the form of fluid milk products in consumer packages or dispenser inserts and was classified as I–A, subtract pro rata from the remaining pounds of skim milk in each class the pounds of skim milk in receipts of fluid milk products from plants in the 401 miles or over freight zone, not defined pursuant to § 1002.8 (b) or (d);

(14) Subtract from the remaining pounds of skim milk in Class I–A milk the pounds of skim milk in remaining receipts from plants (except other order plants) or units the pool status of which has not yet been established and which receipts have not previously been assigned pursuant to subparagraphs (8) and (13) of this paragraph;

(15) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk received in the form of fluid milk products from other pool plants and from pool units (not previously assigned pursuant to the preamble of this section), in accordance with the classification assigned by the transferee handler subject to the conditions of subdivisions (i) through (iii) of this subparagraph:

(i) The skim milk so assigned to any class of utilization shall be limited to the amount thereof remaining in such class in the transferee plant;

(ii) If the transferor plant received during the month other source milk to be allocated pursuant to subparagraph (4) of this paragraph the skim milk so transferred shall be classified so as to allocate the least possible Class I–A or I–B utilization to such other source milk; and

(iii) If the transferor handler received during the month other source milk to be allocated pursuant to subparagraph (8) of this paragraph, the skim milk so transferred shall not be classified as Class I–A or I–B to a greater extent than would be applicable to a like quantity of such other source milk received at the transferee plant;

(16) Add to the remaining pounds of skim milk in Class I–A the pounds of skim milk received directly from dairy farmers which was deducted pursuant to the proviso in the preamble of this section;

(17) If the pounds of skim milk remaining in all classes exceeds the pounds of skim milk in receipts from producers subtract such excess from the pounds of skim milk remaining in each class in series beginning with Class II. Any amount so subtracted shall be known as "overage";

(b) Butterfat shall be allocated in accordance with the procedure outlined for skim milk in paragraph (a) of this section; and

(c) Combine the amounts of skim milk and butterfat determined pursuant to paragraphs (a) and (b) of this section into one total for each class.

§ 1002.46 Rules and regulations.

Accounting rules and regulations to effectuate the provisions of §§ 1002.40 through 1002.45 shall be issued by the market administrator and shall include (but not be limited to) conversion factors to be used in the absence of specific weights and tests, specific definitions of products, specific shrinkage allowances and procedures for determining the quantities of skim milk and butterfat disposed of in specified products. Such rules and regulations shall be made, and may from time to time be amended, by the market administrator in accordance with the procedure set forth in this section: *Provided,* That at any time upon a determination by the Secretary that an emergency exists which requires the immediate adoption of rules and regulations, the market administrator may issue, with the approval of the Secretary, temporary rules and regulations without regard to the following procedure: *Provided further,* That, if any interested person makes written request for the issuance, amendment, or repeal of any rule, the market administrator shall within 30 days either issue notice of meeting pursuant to paragraph (a) of this section or deny such request and except in affirming a prior denial, or where the denial is self-explanatory, shall state the grounds for such denial: *Provided further,* That if the market administrator finds it necessary to promulgate formal rules with respect to units, he shall follow the procedure set forth in this section.

(a) All proposed rules and regulations and amendments thereto shall be the subject of a meeting called by the market administrator at which time all interested persons shall have opportunity to be heard. Notice of such meeting shall be given by the market administrator, and a copy of the proposed rules and regulations shall be sent at least 5 days prior to the date of the meeting to all

handlers operating pool plants. A stenographic record shall be made at all such meetings and such record shall be public information available for inspection at the office of the market administrator.

(b) A period of at least 5 days after the meeting held pursuant to paragraph (a) of this section shall be allowed for the filing of briefs. Such briefs shall be public information available for inspection at the office of the market administrator.

(c) Not later than 30 days after a meeting held pursuant to paragraph (a) of this section, the market administrator shall issue and send to all handlers operating pool plants the tentative rules and regulations or amendments thereto relating to the issues considered at such meeting, or a tentative notice that no rules or regulations or amendments thereto are to be issued prior to further consideration at another meeting. The tentative rules and regulations, or tentative notice, together with copies of the stenographic record and briefs, shall also at the same time be forwarded by the market administrator to the Secretary.

(d) Not later than 30 days after issuance by the market administrator, the Secretary shall either approve the tentative rules and regulations or tentative notice as issue, or direct the market administrator to reconsider. In which latter event, the market administrator shall within 30 days either issue revised tentative rules and regulations or tentative notice, or call another meeting pursuant to paragraph (a) of this section.

(e) The tentative rules and regulations and amendments thereto or tentative notice issued pursuant to paragraph (c) of this section shall be effective as of the first of the month following approval by the Secretary, but not sooner than 10 days after issuance by the market administrator.

MINIMUM PRICES

§ 1002.50 Class prices.

For pool milk received during each month from dairy farmers or cooperative associations of producers, each handler shall pay per hundredweight not less than the prices set forth in this section, subject to the differentials and adjustments in §§ 1002.51 and 1002.81. Any handler who purchases or receives during any month milk from a cooperative association of producers which is also a handler but which does not operate the plant or the unit receiving the milk from producers shall on or before the 15th day of the following month pay such class prices pursuant to this section subject to the differentials and adjustments set forth in §§ 1002.51, 1002.81, and 1002.82 (b) applicable at the location where the milk is received from producers. Any handler who purchases or receives during any month milk from a cooperative association of producers which is also a handler and which operates the plant or the unit receiving the milk from producers shall on or before the 15th day of the following month pay such cooperative association in full for such milk at not less than the minimum class prices pursuant to this section subject to the differentials and adjustments set forth in §§ 1002.51, 1002.52, 1002.81, and 1002.82(b) applicable at the plant at which the milk is first received.

(a) For Class I–A milk the price during each month shall be a price computed pursuant to subparagraphs (1) through (10) of this paragraph, plus 20 cents through April 1968.

(1) Divide (with the result expressed to three decimal places) the monthly wholesale price index for all commodities in the second preceding month as reported by the Bureau of Labor Statistics, U.S. Department of Labor, by the average of the monthly indexes reported on the same base for the year 1955: *Provided,* That from the effective date of this amendment through April 1968, the result computed pursuant to this subparagraph shall not be less than 117.596.

(2) Multiply the base price of $5.20 by the result determined pursuant to subparagraph (1) of this paragraph. Express the result to the nearest cent.

(3) For each month during the 3-year period ending with the second preceding month, calculate to one decimal place the percentage that the total volume of milk in Class I–A and Class I–B was of the total volume of reported receipts of pool milk (these percentages to be referred to as utilization percentages): *Provided,* That for the purpose of computing such utilization percentage each month there shall be added to the volume of milk in Class I–A and Class I–B the pounds of skim milk subject to the fluid skim differential which is in excess of that volume subject to the differential for the corresponding month of the period November 1965 through October 1966. For this purpose the utilization percentages for the months of November 1966 to the effective date of this order shall be recomputed on this same basis.

(4) Calculate the average of the 36 monthly utilization percentages for the 3-year period ending with the second preceding month.

(5) Calculate the average of the six utilization percentages for the second and third preceding months and for the same months of the 2 preceding years.

(6) Divide the result determined pursuant to subparagraph (5) of this paragraph by the result determined pursuant to subparagraph (4) of this paragraph expressing the result to three decimal places.

(7) Calculate the average of the two utilization percentages in the second and third preceding months.

(8) Divide the result determined pursuant to subparagraph (7) of this paragraph by the result determined pursuant to subparagraph (6) of this paragraph. Express the result of one decimal place and add 100.

(9) Calculate a utilization adjustment percentage by subtracting the base utilization percentage of 56.2 from the result determined pursuant to subparagraph (8) of this paragraph.

(10) Multiply the result determined pursuant to subparagraph (2) of this paragraph by the utilization adjustment percentage determined pursuant to subparagraph (9) of this paragraph.

NOTE: Milk Order No. 2, 32 F.R. 12596, Aug. 31, 1967, reads in part as follows:

It is hereby found and determined that:

(a) The following provisions of the order no longer tend the effectuate the declared policy of the Act for the period of September 1967 through April 1968: In § 1002.40(a) [redesignated § 1002.50(a)] the provision "plus 20 cents through April 1968" and the provisions of subparagraphs (3) through (10) of this paragraph.

(b) Whenever any of the following conditions exist for 3 consecutive months, the Secretary shall call a public hearing promptly to consider those and other economic conditions, or promptly announce his determination that such a hearing should not be held, together with reasons for such determination:

(1) There is a difference of more than six points for each of 3 consecutive months between the index of the cost of production announced pursuant to § 1002.22(m)(1)(iv) and the index of wholesale prices (1955 base) announced pursuant to § 1002.22(m)(1)(i).

(2) There is a difference of more than 15 points for each of 3 consecutive months between the index of the cost of production announced pursuant to § 1002.22(m)(1)(iv) and the index of the Class I–A price announced pursuant to § 1002.22 (m)(1)(v).

(3) The Class I–A price for each of 3 consecutive months is less than $1 higher than the condensery price announced pursuant to § 1002.22(m)(2)(iv) for such months or more than $2.50 higher than such condensery price.

(c) For Class I–B milk the price shall be the price for Class I–A milk.

(d) For Class II milk, the price shall be the net amount determined pursuant to this paragraph:

(1) Adjust the average price for milk for manufacturing purposes, f.o.b. plants United States, as reported on a preliminary basis by the U.S. Department of Agriculture for the month, by subtracting for each one-tenth of 1 percent of average butterfat content above 3.5 percent, or adding for each one-tenth of 1 percent of average butterfat content below 3.5 percent, an amount per hundredweight which shall be calculated by the market administrator by multiplying by 0.125 the average of the daily prices, using the midpoint of any range as one price, for Grade A (92-score) butter at wholesale in the New York market as reported for the period between the 16th day of the preceding month and the 15th day, inclusive, of the current month by the U.S. Department of Agriculture.

(2) Adjust the result obtained in subparagraph (1) of this paragraph by the amount shown below for the applicable month:

Month	Amount (dollars per cwt)
January	+0.08
February	+.07
March	0
April	−.04
May	−.07
June	−.06
July	+.08
August	+.15
September	+.11
October	+.11
November	+.11
December	+.11

NOTE: Milk Order No. 2, 32 F.R. 13804, Oct. 4, 1967, reads in part as follows:

It is hereby found and determined that:

(a) The following provisions of the order no longer tend to effectuate the declared policy of the Act for milk delivered on and after Sept. 1, 1967: In § 1002.40(e)(2) [redesignated § 1002.50(d)(2)], all of the text and table except that which reads as follows: (2) Adjust the result obtained in subparagraph (1) of this paragraph by +0.07.

§ 1002.51 Transportation differentials.

The class prices set forth in § 1002.50 shall be subject to a transportation differential determined in accordance with paragraphs (a) through (d) of this section.

(a) The market administrator shall determine a freight zone for each pool plant and each partial pool plant. Such freight zone shall be the shortest highway mileage from the plant to the nearest of the following points as computed by the market administrator from data contained in Mileage Guide No. 5, without supplements, issued on July 20, 1949, effective August 21, 1949, by the Household Goods Carriers' Bureau, Agent, Washington, D.C.: Mount Vernon or Yonkers in the State of New York; Tenafly, Glen Ridge, East Orange, Elizabeth, Hackensack, Hillside, Irvington, or Passaic in the State of New Jersey. The freight zone for plants located in New York City, Nassau, and Suffolk Counties in the State of New York, or in Essex, Hudson, and Union Counties in the State of New Jersey shall be in the 1- to 10-mile zone. The market administrator shall publicly announce the freight zones for pool plants.

(b) The market administrator shall determine and publicly announce a freight zone for each minor civil division (township, borough, incorporated village, or city) within which farms included in a pool or partial pool unit are located by computing the shortest highway mileage distance from the nearest point in the minor civil division to the nearest point specified in paragraph (a) of this section, using the mileage guide specified in such paragraph supplemented by U.S. Geological Survey maps. In States where the smallest governmental unit except for incorporated cities or villages is the county, a zone for the county shall be determined in the same manner as for minor civil divisions. The zone for each farm shall be the zone of the minor civil division or county in which the farm is located.

(c) The differential rates applicable at plants shall be as set forth in the following schedule:

A Freight zone (miles)	B Classes I-A and I-B (cents per cwt.)	C Class II (cents per cwt.)
1–10	+24.0	+8
11–20	+22.8	+8
21–25	+21.6	+8
26–30	+21.6	+7
31–40	+20.4	+7
41–50	+19.2	+7
51–60	+18.0	+6
61–70	+16.8	+6
71–75	+15.6	+6
76–80	+15.6	+5
81–90	+14.4	+5
91–100	+13.2	+5
101–110	+12.0	+4
111–120	+10.8	+4
121–125	+9.6	+4
126–130	+9.6	+3
131–140	+8.4	+3
141–150	+7.2	+3
151–160	+6.0	+2
161–170	+4.8	+2
171–175	+3.6	+2
176–180	+3.6	+1
181–190	+2.4	+1
191–200	+1.2	+1
201–210	0.0	0
211–220	−1.2	0
221–225	−2.4	0
226–230	−2.4	−1
231–240	−3.6	−1
241–250	−4.8	−1
251–260	−6.0	−2
261–270	−7.2	−2
271–275	−8.4	−2
276–280	−8.4	−3
281–290	−9.6	−3
291–300	−10.8	−3
301–310	−12.0	−4
311–320	−13.2	−4
321–325	−14.4	−4
326–330	−14.4	−5
331–340	−15.6	−5
341–350	−16.8	−5
351–360	−18.0	−6
361–370	−19.2	−6
371–375	−20.4	−6
376–380	−20.4	−7
381–390	−21.6	−7
391–400	−22.8	−7
401 and over	−24.0	−8

(d) The differential rate applicable to each pool unit or partial pool unit shall be computed each month as follows: Multiply the volume of pool milk received from farms in each zone by the rate for that zone as set forth in the schedule in paragraph (c) of this section, add the resulting values for all zones of the unit, divide such sum by the total volume of milk received by the unit and round to the nearest 0.1 cent. Rates shall be computed separately for columns B and C of such schedule.

(e) In the event that a plant in the 401 miles and over freight zone becomes a pool plant, a 10-mile zone shall be determined for such plant and for each farm in any pool unit delivering to such plant. The column B differentials in paragraph (c) of this section shall be extended at the same rate as provided in such column for such plant or unit: *Provided,* That in no case shall such differential cause the class price or the uniform price for such plant or unit to be less than the Class II price for such plant or unit: *Provided further,* That farms or units delivering to such plant shall be deemed to be in the same zone as the plant.

§ 1002.52 Connecticut order differential.

For skim milk and butterfat which is classified in Class II under Part 1015 of this chapter and is received in the form of a fluid milk product at a pool plant and is classified as Class I–A or I–B, the handler shall pay, a differential equal to the difference between the Class II price under Part 1015 of this chapter and the Class I–A price appropriately adjusted for differentials pursuant to §§ 1002.51, 1002.81, and 1002.82(b).

§ 1002.53 Producer-handler price differential.

For skim milk and butterfat received from a handler who is a producer-handler under this or any other order and is assigned to Class I–A pursuant to § 1002.45(a)(5)(i), the transferee handler shall pay a differential equal to the difference between the Class I–A price and the Class II price both appropriately adjusted for differentials pursuant to §§ 1002.51 and 1002.82(b).

§ 1002.54 Use of equivalent price or index.

If for any reason a price or index specified by this part for use in computing class prices or other purposes is not reported or published in the manner therein described, the market administrator shall use a price or index determined by the Secretary to be equivalent to or comparable with the price or index specified.

§ 1002.70 Net pool obligation of handlers.

Each handler's net pool obligation for milk received at each plant and unit shall be computed separately pursuant to paragraphs (a) through (d) of this section and then combined into one total to determine the handler's total net pool obligation.

(a) Multiply the quantity of milk in each class remaining after the computation pursuant to § 1002.45(a)(17) and the corresponding step of § 1002.45(b) by the applicable class price adjusted by the applicable differential pursuant to § 1002.51:

(b) For each partial pool plant or partial pool unit multiply the quantity of pool milk in each class by the applicable class price adjusted by the applicable differential pursuant to § 1002.51;

(c) Deduct, in the case of each plant or unit nearer than the 201-to-210-mile zone and add, in the case of each plant or unit farther than the 201-to-210-mile zone, the sum obtained by multiplying the quantity of pool milk received from dairy farmers by the differential in column B of § 1002.51(c) applicable at the plant and the weighted average column B differential computed pursuant to § 1002.51(d) applicable to the unit.

(d) Add the amounts computed in subparagraphs (1) through (5) of this paragraph:

(1) Multiply the pounds of overage deducted from each class pursuant to § 1002.45(a)(17) and the corresponding step of § 1002.45(b) by the applicable class price adjusted by the differentials pursuant to §§ 1002.51 and 1002.81;

(2) Multiply the difference between the applicable Class I–A and Class II prices, both adjusted by the applicable differential pursuant to § 1002.51, by the pounds of skim milk and butterfat in other source milk subtracted from Class

I–A pursuant to § 1002.45(a)(4) and the corresponding step of § 1002.45(b);

(3) Multiply the producer-handler price differential by the pounds of skim milk and butterfat subtracted from Class I–A pursuant to § 1002.45(a)(5)(i) and the corresponding step of § 1002.45(b);

(4) Multiply the difference between the Class II price for the preceding month and the Class I–A price for the current month, both applicable at the nearest location from which an equivalent quantity of Class II milk was received in the preceding month, by the pounds of skim milk and butterfat subtracted from Class I–A pursuant to § 1002.45(a)(7) and the corresponding step of § 1002.45(b);

(5) Multiply the Connecticut order price differential by the pounds of skim milk and butterfat in bulk receipts of fluid milk products priced and pooled under Part 1015 of this chapter and subtracted from Class I–A and I–B milk pursuant to § 1002.45(a)(12) and the corresponding step of § 1002.45(b).

§ 1002.71 Computation of the uniform price.

The market administrator shall, on or before the 14th day of each month, audit for mathematical correctness and obvious errors the report submitted for the preceding month by each handler. If the unreserved cash balance in the producer settlement fund to be included in the computation is less than 2 cents per hundredweight of pool milk on all reports, the report of any handler who has not made payment of the last monthly pool debit account rendered pursuant to § 1002.84 shall not be included in the computation of the uniform price. The report of such handler shall not be included in the computation for succeeding months until he has made full payment of outstanding monthly pool debits. Subject to the aforementioned conditions, the market administrator shall compute the uniform price in the following manner:

(a) Combine into one total the net pool obligations of all handlers computed pursuant to § 1002.70;

(b) Subtract the total of payments required to be made pursuant to § 1002.89;

(c) Subtract for each of the months of March, April, May, and June an amount computed by multiplying the total hundredweight of pool milk for the month by 10 cents in March, 20 cents in April, and 30 cents in May and June;

(d) Add for the months of August, September, and October, respectively, an amount representing 25 percent, 30 percent, and 30 percent of the aggregate amount subtracted pursuant to paragraph (c) of this section for the prior period of March–June, and for November add the remainder of the amount subtracted pursuant to paragraph (c) of this section and the interest earned on the aggregate fund;

(e) Add the amount of unreserved cash in the producer settlement fund;

(f) Subtract an amount equal to not less than 8 cents nor more than 9 cents per hundredweight of pool milk to provide against the contingency of errors in reports and payments or of delinquencies in payments by handlers; and

(g) Divide the result obtained in paragraph (f) of this section by the total pounds of pool milk delivered by dairy farmers. The result shall be known as the uniform price.

PAYMENT

§ 1002.80 Time and rate of payments.

On or before the 25th day of each month each handler shall make payment, subject to paragraphs (a), (b), (c), and (d) of this section, to each producer for all pool milk delivered by such producer during the preceding month at not less than the uniform price, subject to appropriate differentials set forth in §§ 1002.81 and 1002.82. For milk received in a bulk tank unit there may be deducted, as proper and as authorized in writing by the producer, or by a cooperative association authorized to act on behalf of such producer, a tank truck service charge, not to exceed 10 cents per hundredweight, when such tank truck service is provided by the handler or at his expense. Any such deduction with respect to bulk tank milk must be made by the handler not later than the date on which the producer is required to be paid for the milk involved, and the same rate of deduction shall apply until canceled by the producer or by the cooperative by notifying the handler in writing, in which case the cancellation shall be effective on the first day of the month following its receipt by the handler.

(a) Each handler which is also a cooperative marketing association, determined by the Secretary to be qualified under the Capper-Volstead Act with respect to producers who are members of and under contract with such association, may make distribution in accordance with the contract between the association and such members of the net proceeds of all its sales in all markets in all use classifications.

(b) Whenever verification by the market administrator of the payment to any producer or cooperative association of producers for milk delivered to any handler discloses payment of less than is required by this part, the handler shall make up such payment to the producer or cooperative association of producers not later than the time of making payment next following such disclosure.

(c) If a handler claims that he cannot make the required payment because the producer is deceased or cannot be located, or because the cooperative association or its lawful successor or assignee is no longer in existence, such payment shall be made to the producer settlement fund, and in the event that the handler subsequently locates and pays the producer or a lawful claimant, or in the event that the handler no longer exists and a lawful claim is later established, the market administrator shall make such payment from the producer settlement fund to the handler or to the lawful claimant as the case may be.

(d) If not later than the date when such payment is required to be made, legal proceedings have been instituted by the handler for the purpose of administrative or judicial review of the market administrator's findings upon verification as provided above such payment shall be made to the producer settlement fund and shall be held in reserve until such time as the above-mentioned proceedings have been completed or until the handler submits proof to the market administrator that the required payment has been made to the producer or association of producers in which latter event the payment shall be refunded to the handler.

§ 1002.81 Butterfat differential.

(a) The butterfat differential for the adjustment of prices as specified in this part shall be plus or minus for each one-tenth of 1 percent of butterfat therein above or below 3.5 percent an amount computed as follows:

(b) Multiply by 0.120 and round to the nearest one-tenth cent the simple average of the daily wholesale selling prices per pound (using the midpoint of any price range as one price) reported during the period between the 16th day of the preceding month and the 15th day inclusive of the current month by the United States Department of Agriculture for Grade A (92-score) bulk creamery butter in the New York City market.

§ 1002.82 Location differentials.

The uniform price shall be subject to the appropriate location differentials set forth below:

(a) *Transportation differential.* The transportation differential shall be plus or minus the appropriate differential shown in column B of the schedule in § 1002.51(c) for the zone of the plant to which the milk is delivered or in the case of farms included in units the zone of the township in which the milk is received.

(b) *Direct delivery differential.* For pool milk received at a plant or pool unit milk received from farms in the 1- to 10-mile zone through the 61- to 70-mile zone as determined pursuant to § 1002.51, the handler shall pay five cents per hundredweight in addition to any amounts required by other provisions of this section.

PRODUCER SETTLEMENT FUND AND ITS OPERATIONS

§ 1002.83 Producer settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer settlement fund" into which he shall deposit all payments and out of which he shall make all payments pursuant to §§ 1002.85 through 1002.89. All amounts subtracted under § 1002.71(c), inclusive of interest earned thereon, shall remain therein as an obligated balance until it is withdrawn for the purpose of effectuating § 1002.71(d).

§ 1002.84 Handler's accounts.

The market administrator shall establish an account for each handler who is required to make payments to the producer settlement fund or who received payments from the producer settlement

fund. After computing the uniform price and each handler's pool debit or credit each month, and at such times as he deems appropriate, the market administrator shall render each handler a statement of his account showing the debit or credit balance, together with all debits or credits entered on such handler's account since the previous statement was rendered: *Provided,* That the handler operating a pool plant receiving milk from a partial pool plant or partial pool unit without producers as defined in § 1002.6, or from a partial pool plant in the 401 miles or over freight zone, shall be responsible for the debit or credit arising on milk so received and for the payment of the administration assessment pursuant to § 1002.90 on such milk.

§ 1002.85 Payment to the producer settlement fund.

On or before the 18th day of each month each handler shall make full payment of the debit balance, if any, of such handler shown on the last statement of account rendered pursuant to § 1002.84.

§ 1002.86 Payments out of producer settlement fund.

On or before the 20th day of each month the market administrator shall make payment to each handler of the credit balance, if any, of such handler shown on the last statement of account rendered pursuant to § 1002.84. If, at any such time, the balance in the producer settlement fund is insufficient to make full payment due to each handler, the market administrator shall reduce uniformly the payments to each handler and shall complete such payments as soon as the necessary funds are available. No handler who, on the 25th day of the month, has not received such payments in full from the market administrator shall be deemed to be in violation of §§ 1002.80 through 1002.82 if he reduces his total payments to producers for milk delivered by such producers during the preceding month by not more than the amount of the reduction such payment from the producer settlement fund.

§ 1002.87 Handler's pool debit or credit.

After computing the uniform price for each month, the market administrator shall compute each handler's pool debit or credit as follows:

(a) Multiply the quantity of pool milk received by each handler from dairy farmers by the uniform price.

(b) If the result obtained in paragraph (a) of this section is less than the handler's net pool obligation, the difference shall be entered on the handler's producer settlement fund account as such handler's pool debit.

(c) If the result obtained in paragraph (a) of this section is greater than the handler's net pool obligation, the difference shall be entered on the handler's producer settlement fund account as such handler's pool credit.

§ 1002.88 Adjustments of errors in payments.

Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments to or from the producer settlement fund, the market administrator shall debit the handler's producer settlement fund account for any unpaid amount. Whenever verification discloses that payment is due from the market administrator to any handler, the market administrator shall credit the handler's producer settlement fund account for any such amount.

§ 1002.89 Cooperative payments for marketwide services.

Payments shall be made to qualified cooperatives or to federations under the conditions, in the manner, and at the rates set forth in this section.

(a) *Definitions.* As used in this section the following terms shall have the following meanings:

(1) "Cooperative" means a cooperative association of producers which is duly incorporated under the cooperative corporation laws of a state; is qualified under the Capper-Volstead Act (7 U.S.C. 291 et seq.); has all its activities under the control of its members; and has full authority in the sale of its members' milk.

(2) "Federation" means a federation of cooperatives.

(3) "Federated cooperative" means a cooperative which is a member of a federation and on whose membership the federation is an applicant for or receives payments under subparagraph (2) of paragraph (f) of this section.

(4) "Member" means, when used with respect to a member of a cooperative or of a federated cooperative, only a member who is also a producer, as defined in § 1002.6.

(b) *Qualified cooperatives and federations.* A cooperative or federation may submit an application to the market administrator for payments under the provisions of this section. In accordance with the requirements of the rules and regulations issued by the market administrator, any such application shall include a written description of the applicant's program for the performance of marketwide services, including evidence that adequate facilities and personnel will be maintained by it so as to enable it to perform the marketwide services; and the application shall contain a statement by the applicant that it will perform the required marketwide services for which it is applying for payments. The application shall set forth all necessary data so as to enable the market administrator to determine whether it meets the qualification requirements with respect to the payments for which the application is submitted. An application shall be approved by the market administrator only if he determines that:

(1) In the case of a cooperative:

(i) It has not less than 4,000 members and receives from its members not less than one cent per hundredweight of milk delivered by them: *Provided,* That no person shall be counted in this respect as a member if he is a member of another cooperative which is an applicant for or which receives cooperative payments, or if he is a member of a federated cooperative.

(ii) If the application is also for an additional payment under subparagraph (3) of paragraph (f) of this section, it has not less than 6,000 members and receives from its members not less than one cent per hundredweight of milk delivered by them, subject to the proviso in subdivision (i) of this subparagraph.

(iii) If the application is also for an additional payment under subparagraph (4) of paragraph (f) of this section, the cooperative is an operating cooperative which operates marketing facilities, i.e., pool plant(s), at which it receives at least 25 per centum, by weight, of the pool milk marketed by its members: *Provided,* That in determining whether the 25 per centum minimum requirement is complied with, there shall be excluded the milk delivered by a member of the cooperative who is a member of another cooperative which is an applicant for or which receives cooperatives payments on the same milk or which is a federated cooperative in a federation which is an applicant for or receiving cooperative payments on the same milk.

(2) In the case of a federation:

(i) It is duly incorporated under the laws of a State.

(ii) It has contracts with each of its federated cooperatives under which the cooperatives agree to remain in the federation for at least 1 year, and such contracts cover or will be renewed for a yearly period for every subsequent year for which the federated cooperatives are to be included within the membership of the federation for cooperative payment purposes.

(iii) Its federated cooperatives have an aggregate of not less than 4,000 members and the federated cooperatives receive from their members not less than one cent per hundredweight of milk delivered by them; and its federated cooperatives will pay to the federation, when required by rules and regulations issued by the market administrator, the minimum monthly payment specified in the rules and regulations to finance the activities of the federation that are not marketwide in character: *Provided,* That no person shall be counted in this respect as a member if he is a member of a cooperative which is an applicant for or which receives cooperative payments, or if he is a member of another federated cooperative.

(iv) If the application is also for an additional payment under subparagraph (3) of paragraph (f) of this section, the aggregate membership of the federated cooperatives is not less than 6,000 members and the federated cooperatives received from their members not less than 1 cent per hundredweight of milk delivered by their members, subject to the proviso in subdivision (iii) of this subparagraph.

(v) If the application is also for an additional payment under subparagraph

(5) of paragraph (f) of this section, the federation operates marketing facilities; i.e., pool plant(s), or the federated cooperatives operate marketing facilities, at which is received at least 25 per centum, by weight, of the pool milk marketed by the members of the federated cooperatives: *Provided,* That in determining whether the 25 per centum minimum requirement is complied with, there shall be excluded the milk delivered by members of a cooperative which is an applicant for or which receives cooperative payments on the same milk, or which is a federated cooperative in another federation which is an applicant for or receiving cooperative payments on the same milk, or which is not meeting the requirements of this section applicable to it.

(3) The applicant cooperative or federation demonstrates that it has the ability to perform the marketwide services for which application is made, and that such services will be performed.

(4) The applicant cooperative or the federated cooperatives of an applicant federation are in no way precluded from arranging for the utilization of milk under their respective control so as to yield the highest available net return to all producers without displacing an equivalent quantity of other producer milk in the preferred classification.

(c) *Notice of qualification or denial: Effective date.* Upon determination by the market administrator that a cooperative or a federation is qualified to receive payment for performance of the marketwide services, he shall transmit such determination to the applicant, cooperative or federation and publicly announce the issuance of the determination. The determination shall be effective with respect to milk delivered on and after the first day of the month following issuance of the determination. If, after consideration of an application for payments for marketwide services, the market administrator determines that the cooperative or federation is not qualified to receive such payments he shall promptly notify the applicant and specifically set forth in such notice his reasons for denial of the application.

(d) *Requirements for continued qualification.* From time to time and in accordance with rules and regulations which may be issued by the market administrator, each qualified cooperative or federation must demonstrate to the market administrator that it continues to meet the qualification requirements for the payments and is fully performing the marketwide services for which it is being paid.

(e) *Marketwide services.* Each cooperative or federation shall perform the marketwide services enumerated in this paragraph. Such services are: (1) Analyzing milk marketing problems and their solutions, conducting market research and maintaining current information as to all market developments, preparing and assembling statistical data relative to prices and marketing conditions, and making an economic analysis of all such data; (2) determining the need for the formulation of amendments to the order and proposing such amendments or requesting other appropriate action by the Secretary or the market administrator in the light of changing conditions; (3) participating in proceedings with respect to amendments to the order, including the preparation and presentation of evidence at public hearings, the submission of appropriate briefs and exceptions, and also participating, by voting or otherwise, in the referenda relative to amendments; (4) participating in the meetings called by the market administrator, such as meetings with respect to rules and regulations issued under the order, including activities such as the preparation and presentation of data at such meetings and briefs for submission thereafter; (5) conducting a comprehensive education program among producers—i.e., members and nonmembers of cooperatives—and keeping such producers well informed for participation in the activities under the regulatory order and, as a part of such program, issuing publications that contain relevant data and information about the order and its operation, and the distribution of such publications to members and, on the same subscription basis, to nonmembers who request it, and holding meetings at which members and nonmembers may attend; and (6) in the case of a cooperative or federation which receives an additional payment under subparagraph (4) or (5) of paragraph (f) of this section, operating marketing facilities, or having within its membership federated cooperatives operating marketing facilities; i.e., pool plant(s), at which is received at least 25 per centum, by weight, of the milk marketed by all the members of the cooperative or by all the members of the federated cooperatives' members.

(f) *Rate, computation, time, and method of payment.* (1) Subject to the provisions of paragraph (g) of this section, the market administrator, on or before the 25th day of each month, shall make payment out of the producer settlement fund, or issue equivalent credit therefor to each cooperative or federation which is qualified for such payments for marketwide services. The payment to a cooperative shall be based upon the pool milk reported by cooperative or proprietary handlers to have been received during the preceding month from its members, and the payment to a federation shall be based upon the pool milk reported by cooperative or proprietary handlers to have been received during the preceding month from the members of its federated cooperatives, subject in both instances to adjustment upon verification by the market administrator.

(2) Such payment or credit shall be at the rate of two cents per hundredweight of milk in accordance with subparagraph (1) of this paragraph: *Provided,* That in computing payment to a cooperative there shall be excluded all of the milk of its members who belong to another cooperative which is an applicant for or which receives cooperative payments on the same milk or which is a federated cooperative in a federation which is an applicant for or receiving cooperative payments on the same milk: *Provided further,* That in computing payment to a federation there shall be excluded all of the milk of members of a cooperative which is an applicant for or which receives cooperative payments on the same milk, or which is a federated cooperative in another federation which is an applicant for or receiving cooperative payments on the same milk, or which is not meeting the requirements of this section applicable to it.

(3) Any cooperative that has at least 6,000 members and any federation which has an aggregate membership of its federated cooperatives of at least 6,000 members shall receive a payment, in addition to the payment provided for in subparagraph (2) of this paragraph, of 1 cent per hundredweight of milk in accordance with subparagraph (1) of this paragraph and subject to the provisos contained in subparagraph (2) of this paragraph.

(4) Any cooperative that operates marketing facilities, i.e., pool plant(s), at which is received at least 25 per centum, by weight, of the milk marketed by its members shall receive a payment, in addition to the payment provided for in subparagraph (2) or subparagraph (3) of this paragraph of 1 cent per hundredweight of all milk marketed by its members in accordance with subparagraph (1) of this paragraph: *Provided,* That in computing the payment under this subparagraph there shall be excluded the milk delivered by a member of the cooperative who is a member of another cooperative which is an applicant for or which receives cooperative payments on the same milk or which is a federated cooperative in a federation which is an applicant for or receiving cooperative payments on the same milk.

(5) Any federation that operates marketing facilities, i.e., pool plant(s), or whose members include one or more federated cooperatives that operate marketing facilities, at which is received at least 25 per centum, by weight, of the milk marketed by the members of its federated cooperatives shall receive a payment, in addition to the payment provided for in subparagraph (2) or subparagraph (3) of this paragraph, of 1 cent per hundredweight of all milk marketed by such members in accordance with subparagraph (1) of this paragraph: *Provided,* That in computing the payment under this subparagraph there shall be excluded the milk delivered by members of a cooperative which is an applicant for or which receives cooperative payments on the same milk, or which is a federated cooperative in another federation which is an applicant for or receiving cooperative payments on the same milk, or which is not meeting the requirements of this section applicable to it.

(6) If an individually qualified cooperative is affiliated with a federation, the cooperative payment shall be made to such cooperative unless its contract with the federation specifies in writing

that the federation is to receive the payments. Any such contract must authorize the federation to receive the payments for at least 1 year, and such agreement must cover or be renewed for a yearly period for every subsequent year for which the federation is to receive the payments.

(g) *Disqualification.* (1) The market administrator shall issue an order wholly or partly disqualifying a previously qualified cooperative or federation for payments authorized pursuant to this section and such payments shall not thereafter be made to it if he determines that:

(i) The cooperative or federation no longer complies with the requirements of this section: *Provided,* That in the case of the federation, if one of its federated cooperatives has failed to comply with the requirements of this section applicable to it or has failed, promptly after demand by the market administrator, to arrange for the utilization of milk under its control so as to yield the highest available net return to all producers without displacing an equivalent quantity of other producer milk in the preferred classification, the federation shall be disqualified only to the extent that its qualification for payments or the amount of its payments are based upon the membership, milk, or operations of such noncomplying federated cooperatives;

(ii) The cooperative or federation has failed to make reports or furnish records pursuant to this section or pursuant to rules and regulations issued by the market administrator; or

(iii) In the case of the cooperative, it has failed, promptly after demand by the market administrator, to arrange for the utilization of milk under its control so as to yield the highest available net return to all producers without displacing an equivalent quantity of other producer milk in the preferred classification.

(2) An order of the market administrator wholly or partly disqualifying a cooperative or federation shall not be issued until after the cooperative or federation has had opportunity for hearing thereon following not less than 15 days' notice to it specifying the reasons for the proposed disqualifications. If the cooperative or federation fails to file a written request for hearing with the market administrator within such period of 15 days, the market administrator may issue an order of disqualification without further notice; but if within such a period a request for hearing is filed, the market administrator shall promptly proceed to hold such hearing pursuant to rules and regulations issued by him under paragraph (1) of this section.

(3) A disqualification order issued by the market administrator shall set forth the findings and conclusions on the basis of which it is issued.

(h) *Apeals*—(1) *From denials of application.* Any cooperative or federation whose application for qualification has been denied by the market administrator may, within 30 days after notice of such denial, file with the Secretary a written petition for review. But the failure to file such petition shall not bar the cooperative or federation from again applying to the market administrator for qualification.

(2) *From disqualification orders.* A disqualification order by the market administrator shall become final 30 days after its service on the cooperative or federation unless within such 30-day period the cooperative or federation files a written petition with the Secretary for review thereof. If such petition for review is filed, payments for which the cooperative or federation has been disqualified by the order shall be held in reserve by the market administrator pending ruling of the Secretary, after which the sums so held in reserve shall either be returned to the producer settlement fund or paid over to the cooperative or federation depending on the Secretary's ruling on the petition. If such petition for review is not filed, any payments which otherwise would be made within the 30-day period following issuance of the disqualification order shall be held in reserve until such order becomes final and shall then be returned to the producer settlement fund.

(3) *Record on appeal.* If an appeal is taken under subparagraph (1) or subparagraph (2) of this paragraph, the market administrator shall promptly certify to the Secretary the ruling or order appealed from and the evidence upon which it was issued: *Provided,* That if a hearing was held the complete record thereof, including the applications, petitions, and all exhibits or other documentary material submitted in evidence shall be the record so certified. Such certified material shall constitute the sole record upon which the appeal shall be decided by the Secretary.

(i) *Regulations.* The market administrator is authorized to issue regulations and amendments thereto to effectuate the provisions of this section and to facilitate and implement the administration of its provisions. Such regulations shall be issued in accordance with the following procedure:

(1) All proposed rules and regulations and amendments thereto shall be the subject of a meeting called by the market administrator at which all interested persons shall have opportunity to be heard. Not less than 5 days prior to the meeting, notice thereof and of the proposed regulations or amendments shall be published in the FEDERAL REGISTER and mailed to qualified cooperatives and federations. A stenographic record shall be made at such meetings which shall be public information and be available for inspection at the office of the market administrator.

(2) A period of at least 5 days after the meeting shall be allowed for the filing of briefs.

(3) All regulations and amendments thereto issued by the market administrator pursuant to this section must be submitted in tentative form to the Secretary for approval, shall not be effective without such approval, and shall be published in the FEDERAL REGISTER following such approval. The regulations or amendments in tentative form shall be forwarded also to cooperatives and federations qualified under this section and to other persons upon request in writing. The Secretary shall either approve the regulations or amendments thereto submitted by the market administrator or direct the market administrator to reconsider the tentative rules or amendistrator is directed to give reconsideration to the matter, the market administrator shall either issue revised tentative regulations or amendments or call another meeting pursuant to this section for additional consideration of the rules or amendments.

(j) *Reports and records.* A qualified cooperative or federation and any federated cooperative in a qualified federation shall make such reports to the market administrator as may be requested by him for the administration of the provisions of this section, and shall maintain and make available to the market administrator or his representative such records as will enable the market administrator to verify such reports.

(k) *Notices, demands, orders, etc.* All notices, demands, orders, or other papers required by this section to be given to or served upon a cooperative or federation shall be deemed to have been given or served as of the time when mailed to the last known secretary of the cooperative or federation at his last known address.

EXPENSE OF ADMINISTRATION

§ 1002.90 Payment by handlers.

As his pro rata share of the expense of administration of this part, each handler shall, on or before the 18th day of each month, pay to the market administrator a sum not exceeding 2 cents per hundredweight on the total quantity of pool milk received from dairy farmers at plants or from farms in a unit operated by such handler, directly or at the instance of a cooperative association of producers, the exact amount to be determined by the market administrator subject to review by the Secretary. This section shall not be deemed to duplicate any similar payment by any handler under an order issued by the Commissioner of Agriculture and Markets of the State of New York, or the Director of the New Jersey Office of Milk Industry, with respect to the marketing area. Whenever verification by the market administrator discloses an error in the payment made by any handler, such error shall be adjusted not later than the date next following such disclosure on which payments are due pursuant to this section.

MISCELLANEOUS

§ 1002.91 Termination of obligations.

The provisions of this section shall apply to any obligation under this part for the payment of money irrespective of when such obligation arose, except an obligation involved in an action instituted before August 1, 1949, under section 8c(15)(A) of the Act or before a court.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate 2 years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this part to be made available, the market administrator may, within the 2-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said 2-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate 2 years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or 2 years after the end of the calendar month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable periods of time, files pursuant to section 8c(15)(A) of the Act, a petition claiming such money.

§ 1002.92 Continuing obligation of handlers.

Unless otherwise provided by the Secretary in any notice of amendment, termination, or suspension of any or all of the provisions of this part, such amendment, termination, or suspension shall not affect, waive, or terminate any right, duty, obligation, or liability which shall have risen or may thereafter arise in connection with any provision of this part; release or waive any violation of this part occurring prior to the effective date of such amendment, termination, or suspension; or affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violations.

§ 1002.93 Continuing power and duty of market administrator.

The market administrator shall (a) continue in such capacity until discharged by the Secretary; (b) from time to time account for all receipts and disbursements and deliver all funds or property on hand, together with the books and records of the market administrator, to such person as the Secretary shall direct; and (c) if so directed by the Secretary execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator pursuant to this part.

§ 1002.94 Liquidation.

Upon the termination or suspension of this part, the market administrator shall, if so directed by the Secretary, liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid and owing at the time of such termination or suspension. Any funds collected for expenses pursuant to the provisions of this part over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator in liquidating the business of the market administrator's office shall be distributed to handlers in an equitable manner.

§ 1002.95 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

Signed at Washington, D.C., on December 29, 1967.

JOHN C. BLUM,
Deputy Administrator,
Regulatory Programs.

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